

Large-animal study results published in Nature Scientific Reports show successful esophageal regeneration

HOLLISTON, Mass., March 13, 2018 /[PRNewswire](#)/ -- Biostage, Inc. (OTCQB: BSTG), a biotechnology company developing bioengineered organ implants to treat conditions of the esophagus, bronchus and trachea, today announced the publication of pre-clinical large-animal study results for its Cellspan™ esophageal implants. The study, published in [Nature Scientific Reports](#), demonstrated the feasible and reproducible use of the company's Cellframe™ technology to regenerate a functioning esophagus using a proprietary removable synthetic scaffold carrying autologous stem cells.

Results from these animals showed gradual structural regrowth of endogenous esophageal tissue, including squamous esophageal mucosa, submucosa and smooth muscle layers with blood vessel formation. The study results indicate that scaffolds seeded with the patient's own mesenchymal stem cells may provide a safer alternative for some patients compared to the gastro-intestinal conduit technique used today following resection of the esophagus.

With the publication of these promising results, as well as the [first successful in-human use of the Cellspan™ implant announced in February](#), Biostage is another step closer to undergoing formal clinical trials next year. Biostage CEO Jim McGorry said, "We're really satisfied with the results of this pre-clinical study and I'm proud to show a successful outcome for the use of our technology. It's further evidence that the fundamental science behind our product is sound, and we're looking forward to pursuing the next stages of development and moving into clinical trials in pediatric esophageal atresia and esophageal cancer."

View the full report

here: <http://www.nature.com/articles/s41598-018-22401-x>

About Biostage, Inc.

Biostage is a biotechnology company developing bioengineered organ implants based on the Company's Cellframe™ technology which combines a proprietary biocompatible scaffold with a patient's own stem cells to create Cellspan organ implants. Cellspan implants are being developed to treat life-threatening conditions of the esophagus, bronchus or trachea with the hope of dramatically improving the treatment paradigm for patients. Based on its preclinical data, Biostage has selected life-threatening conditions of the esophagus as the initial clinical application of its technology.

For more information, please visit www.biostage.com and connect with the Company on [Twitter](#) and [LinkedIn](#).

Forward-Looking Statements:

Some of the statements in this press release are "forward-looking" and are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These "forward-looking" statements in this press release include, but are not limited to, statements relating to development expectations and regulatory approval of any of the Company's products, including those utilizing its Cellframe technology, by the U.S. Food and Drug Administration, the European Medicines Agency or otherwise, which expectations or approvals may not be achieved or obtained on a timely basis or at all;

or success with respect to any collaborations, clinical trials and other development and commercialization efforts of the Company's products, including those utilizing its Cellframe technology, which such success may not be achieved or obtained on a timely basis or at all. These statements involve risks and uncertainties that may cause results to differ materially from the statements set forth in this press release, including, among other things, the Company's ability to obtain and maintain regulatory approval for its products; plus other factors described under the heading "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 or described in the Company's other public filings. The Company's results may also be affected by factors of which the Company is not currently aware. The forward-looking statements in this press release speak only as of the date of this press release. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

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