

Metcela Raised \$4 Million in Series B Funding to Launch a Phase I Clinical Trial for Heart Failure Therapy

Metcela Inc., a biotech startup specializing in fibroblast-based cell therapy, announced the closing of its 430 million yen (\$4 million) Series B round, with participation from Japan Lifeline Co., Ltd. (JLL), Sony Innovation Fund and Tsukuba Exceed Fund (TX fund). With this financing, Metcela plans to accelerate the clinical development of the fibroblast cell therapy product, MTC001, for the treatment of chronic heart failure and initiate a Phase I clinical trial. Metcela also announces that it has appointed Kenji Yamada, who also serves as a director of JLL, as an outside director.



【Background and purpose of this round】

Metcela Inc., established in 2016, is a clinical-stage biotechnology company focused on researching and developing potentially curative fibroblast-based therapy for chronic diseases that currently have limited therapeutic options. The company's mission is to provide these patients with an innovative and alternative treatment option.

Through basic research and various pre-clinical studies, Metcela has discovered that VCAM-1-positive cardiac fibroblast (VCF) aids in the proliferation of cardiomyocytes and repairs damaged cardiac tissues by forming new lymphatic vessels, a process known as lymphangiogenesis.

Metcela's first clinical pipeline is an autologous therapy using VCF, which has great advantages in highly immunoreactive organ, such as the heart, to eliminate the needs for expensive immunosuppressive agents, and achieve its maximal potential as a cell therapy. In addition, unlike therapies using pluripotent cells, VCF does not require any stem cells or gene modification during its manufacturing; thus, there is essentially no concerns for tumor-formation or unexpected gene mutation.

With these innovative technological advantages, Metcela is in a collaborative joint study with Japan Lifeline Co., Ltd. (JLL) and University of Tsukuba since 2018 to develop the cell therapy product MTC001, which is a combination of VCF and a specialized catheter system for delivery of the cells to the heart. Most recently, Metcela began the construction of a cell processing facility, preparing for the launch of the first clinical trial of VCF in 2021. The funds raised in this financing round will further strengthen the manufacturing and quality assurance of the products, and accelerate the development of other pipelines, moving them towards Phase I clinical trials.

【About the newly appointed outside director, Kenji Yamada】

Metcela also announces the appointment of a new outside director, Kenji Yamada. Mr. Yamada is also the director of Japan Lifeline Co., Ltd. and has worked in the business management sector for the past several years. As Metcela is co-developing a new cell delivery system alongside with JLL, his addition will tighten up the relationship of the two companies as well as better position ourselves in the realm of cell therapy for heart failure. Together with JLL, Metcela is going to accelerate the development of MTC001.

■About the newly appointed outside director, Kenji Yamada

May 1998	Joined Japan Lifeline Co., Ltd. after working for ABC-MART, Inc.
June 2015	Vice President, Corporate Administration Department
July 2017	Vice President, R&D and Manufacturing Department (present)
	Managing Director, Synexmed (Hong Kong) Limited (A subsidiary of Japan Lifeline Co., Ltd.) (present)
	Chairman and President, Synexmed (Shenzhen) Co., Ltd. (A subsidiary of Japan Lifeline Co., Ltd.) (present)
August 2017	Managing Director, JLL Malaysia Sdn.Bhd. (A subsidiary of Japan Lifeline Co., Ltd.) (present)

【About investors of this round】**<About Japan Lifeline Co., Ltd.>**

Japan Lifeline Co., Ltd. was founded in 1981 as a trading company specializing in medical devices in the cardiovascular field. Since then, the company has established its unique business model in which it has the trading company function that brings cutting-edge products from overseas manufacturers to Japan, and also the manufacturing function that develops and produces in-house products, reflecting needs of clinical practice. The company has business bases to cover all over Japan and close ties with physicians and medical institutions that are leading innovations in the cardiovascular field. Making use of such superior business resources, Japan Lifeline is pursuing initiatives to provide excellent medical devices to clinical settings.

URL: <https://www.japanlifeline.com/>

<About Sony Innovation Fund>

Sony Innovation Fund is dedicated to engaging with promising early-stage companies. Beyond investment, our mission is to provide access to the broader Sony world and its global network and collaborate with startups to foster business creation in new and existing areas of interest to Sony, catalyze a talented and passionate team, develop innovative and scalable technology, and explore new and emerging ecosystems.

URL: <http://www.sonyinnovationfund.com/>

<About Tsukuba Exceed Fund (“TX Fund”)>

TX Fund was created by Joyo Bank and The Joyo Industrial Research Institute, Ltd. in August of 2019. The focus of investment is in deep tech startups, particularly in seed rounds, founded by Japan’s leading research institutions, particularly around the Tsukuba Science City and the University of Tsukuba, and other surrounding areas along the Tsukuba Express line. TX Fund supports the startups by investing and provides hands-on support by utilizing the external expert network of Joyo Bank. Metcela was one of the first startups to be invested from TX Fund.

URL: <http://www.jir-web.co.jp/business/fund/index.html>

【About Heart Failure】

Heart failure is a complex condition in which the ability of the heart to pump blood decreases due to various causes. Majority of currently available treatment options only prevents the progress of the symptoms and preserve quality of life, and thus, is unable to cure the irreversible ailment.

【About VCF】

Metcela discovered VCAM-1-positive Cardiac Fibroblast (VCF), a specific type of fibroblast that re-establishes favorable microenvironment within the damaged heart tissues. VCF can easily be cultured and is known to induce lymphangiogenesis and enhance proliferation of cardiomyocytes to regenerate the damaged tissues of the heart. Metcela’s intellectual property is covered by several patents (JP6241893 and JP6618066).

Corporate Overview

Headquarter: Tsuruoka-shi, Yamagata
Research Center: Life Innovation Center 3-25-22 Tonomachi, Kawasaki-ku, Kawasaki-shi, Kanagawa 210-0821
Co=CEOs: Takahiro Iwamiya, Kenichi Nogami
Foundation: March 2016
Website: <https://www.metcela.com/>

<For more information, please contact>

Public Relations at Metcela Inc.

E-mail: pr@metcela.com