

January 25, 2019



Orgenesis Announces U.S. Expansion of Masthercell Global Subsidiary

Announces receipt of \$6.6 million milestone payment from Great Point Partners into Masthercell Global

GERMANTOWN, Md., Jan. 25, 2019 (GLOBE NEWSWIRE) -- Orgenesis Inc. (NASDAQ: ORGS), a developer, manufacturer and service provider of advanced cell therapies, today announced that its subsidiary, Masthercell Global Inc. ("Masthercell Global"), is expanding into the United States and has executed a lease agreement to build a new 30,000 sq. ft manufacturing facility in Houston, Texas. The new facility will allow Masthercell Global to expand its world presence and current capacities. Masthercell Global is a leading cell and gene therapy Contract Development and Manufacturing Organization ("CDMO") that will now have operations and manufacturing facilities across three continents (North America, Europe and Asia).

The Company also announced that Masthercell Global has received the first milestone payment of \$6.6 million per its previously announced strategic partnership with Great Point Partners, LLC ("GPP") in accordance with the Stock Purchase Agreement announced on June 28, 2018. Under the terms of the agreement, GPP provided an upfront payment of \$11.8 million into Masthercell Global, out of a total \$25 million planned investment, with the remaining investment being provided by GPP in two equal installments subject to Masthercell Global achieving certain milestones relating to net revenue and EBITDA. This first milestone payment was triggered upon Masthercell Global achieving certain financial based milestones and will not result in any additional share issuance to GPP in either Masthercell Global or Orgenesis. The additional funding provided by GPP will be used to launch the new U.S. facility, expand the facilities in Europe, Israel, and Korea, as well as provide Masthercell Global with growth capital to further enhance services for its customer base.

"We are thrilled with the performance of Masthercell Global since the GPP investment, and this latest tranche of funding will help drive additional growth," stated Vered Caplan, CEO and Chairperson of Orgenesis. "The additional capacity provided by this expansion should allow us to expand our presence in North America and enhance the services for our customers in order to fully capitalize on the growing global market demand."

Noah Rhodes, Managing Director at GPP, stated "The new U.S. facility will enable new and existing clients to work with Masthercell Global across the world. Masthercell Global's international reach will allow for more innovation and efficient processes, while ensuring the same quality standards across the company."

About Orgenesis

Orgenesis is a biopharmaceutical company with expertise and unique experience in cell therapy development and support services. Through its subsidiary, Orgenesis Ltd.,

Orgenesis is developing technology designed to successfully reprogram human liver cells into glucose-responsive, fully functional, Insulin Producing Cells (IPCs) as a potential cure for insulin dependent diabetes. Through regional partnerships, Orgenesis is implementing its point-of-care (“POCare”) cell therapy strategy. Based on its therapeutic collaborations with biopharma companies and research and healthcare institutes, it enables collection, processing and administering of autologous cellular therapies within the patient care setting with the goal of developing autologous cell therapies with regional partners and utilization of hospital networks for clinical development of therapies.

Through its Masthercell Global subsidiary, a global contract development and manufacturing organization (CDMO), Orgenesis delivers optimized industrialization services to cell therapy organizations including high quality GMP manufacturing, process development and logistics services. Masthercell’s teams are fully committed to helping their clients fulfill their objective of providing sustainable and affordable therapies to their patients. Masthercell operates globally with operations in Europe, the US, Israel, and Korea. For more information, visit www.orgenesis.com.

Notice Regarding Forward-Looking Statements

This press release contains forward-looking statements which are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities and Exchange Act of 1934, as amended. These forward-looking statements involve substantial uncertainties and risks and are based upon our current expectations, estimates and projections and reflect our beliefs and assumptions based upon information available to us at the date of this release. We caution readers that forward-looking statements are predictions based on our current expectations about future events. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that are difficult to predict. Our actual results, performance or achievements could differ materially from those expressed or implied by the forward-looking statements as a result of a number of factors, including, but not limited to, the success of our reorganized CDMO operations, the success of our partnership with Great Point Partners, our ability to achieve and maintain overall profitability, the sufficiency of working capital to realize our business plans, the development of our trans-differentiation technology as therapeutic treatment for diabetes which could, if successful, be a cure for Type 1 Diabetes; our technology not functioning as expected; our ability to retain key employees; our ability to satisfy the rigorous regulatory requirements for new procedures; our competitors developing better or cheaper alternatives to our products and the risks and uncertainties discussed under the heading "RISK FACTORS" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended November 30, 2017, and in our other filings with the Securities and Exchange Commission. We undertake no obligation to revise or update any forward-looking statement for any reason.

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