

C O R P O R A T E P A R T I C I P A N T S

Todd Fromer, *Managing Partner, KCSA*

Jerrell Shelton, *Chief Executive Officer*

Thomas Heinzen, *Vice President, Corporate Development & Investor Relations*

Mark Sawicki, *Chief Commercial Officer*

C O N F E R E N C E C A L L P A R T I C I P A N T S

Puneet Souda, *SVB Leerink*

Andrew D'Silva, *B. Riley FBR*

Richard Baldry, *ROTH Capital Partners*

Jacob Johnson, *Stephens Inc.*

Steve Unger, *Needham*

P R E S E N T A T I O N

Operator

Welcome to the Cryoport Inc. Shareholder Conference Call.

As a reminder, all participants are in listen-only mode and the conference is being recorded. After the presentation there will be an opportunity to ask questions. To join the question queue you may press star, one only your telephone keypad. Should you need assistance during the conference call, you may signal an Operator by pressing star, and zero.

I would now like to turn the conference over to Todd Fromer, Managing Partner of KCSA for opening remarks. Please go ahead.

Speaker Name

Thank you, Operator.

Before we begin today, I would like to remind everyone that this conference call contains certain forward-looking statements. All statements that address our operating performance, events or developments that we expect or anticipate occurring in the future are forward-looking statements. These forward-looking statements are based on Management's beliefs and assumptions and not on information currently available to our management team. Our management team believes these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements, because such statements speak only as of the date when made. We do not

undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events and developments to differ materially from our historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described in Item 1A, Risk Factors, and elsewhere in our annual report on Form 10-K, filed with the Securities and Exchange Commission, and those described from time to time in other reports, which we file with the Securities and Exchange Commission.

I would now like to turn the call over to Mr. Jerrell Shelton, Chief Executive Officer of Cryoport. Jerry, the floor is yours.

Jerrell Shelton

Good morning from Nashville, Tennessee. Thank you for joining us today to discuss Cryoport's acquisition of MVE Biological Solutions from Chart Industries.

We have uploaded the presentation we will be using today to our website. It can be found under the Investor Relations section in Events and Presentations. If you have not downloaded the presentation, I would encourage you to do so.

With me this morning I have Mr. Robert Stefanovich, Cryoport's Chief Financial Officer, Dr. Mark Sawicki, Chief Commercial Officer, Cryoport Systems and Mr. Thomas Heinzen, our Vice President of Corporate Development and Investor Relations.

As I am sure you are aware, this acquisition of MVE Biological Solutions follows on the heels of our announcement on Friday that we had signed an agreement to acquire CRYOPDP. As I highlighted in that call, we have a robust acquisition pipeline and put considerable time and energy into evaluating market conditions and identifying opportunities to supplement our organic growth, and on occasion we are lucky and have a stellar acquisition candidate move to the front of the line. In this case, we have been extremely fortunate to have two outstanding companies come to the forefront and at the same time. MVE Biological Solutions which is currently part of Chart Industries is the subject of today's call as we have signed an agreement to make it a part of Cryoport. Our transaction is expected to close by the end of this year. We are extremely excited by this acquisition of MVE as it is a further step in Cryoport's fulfilling its mission of being the life sciences preeminent partner for temperature-controlled supply chain solutions by broadening our footprint of temperature-controlled supply chain solutions and services for the life sciences industry.

Like CRYOPDP, MVE Biological Solutions is aligned with our mission and strategy, and especially the large and rapidly growing cell and gene therapy market. MVE will add to our momentum and expand our range of solutions in supportive cell and gene therapy clients. The addition of MVE along with CRYOPDP will deliver a unique combination of passionate teams with outstanding industry knowledge, global client coverage that is unrivaled, the most advanced temperature-controlled engineering capabilities and unparalleled temperature-controlled supply chain innovation. We believe MVE is a cultural fit with Cryoport and will accelerate our long-term growth strategy of providing the most advanced, most reliable temperature-controlled supply chain solutions to the life sciences industry today and tomorrow.

Upon the closing of this acquisition and after the closing of CRYOPDP, we will again double our revenue run rate moving to over \$160 million in annual revenue. This transaction represents a hallmark event with two supporting life sciences leaders; Cryoport Inc. and MVE Biological Solutions coming together to further de-risk processes and extend even further our chain of compliance for the life sciences industry.

The acquisition of MVE and CRYOPDP are the continuation of Cryoport's drive to further develop the highest quality, most reliable and most comprehensive temperature-controlled supply chain company supporting the life sciences industry.

We will be the leading provider of total cryogenic life sciences solutions at a time when the regenerative medicine market is experiencing and will continue to experience rapid worldwide growth. I am proud that Blackstone, one of the United States leading global investment businesses has chosen to invest \$275 million in Cryoport to help fund the MVE acquisition. It speaks volumes to have the confidence of Blackstone in our strategic direction and our future.

With that, I am going to ask Thomas Heinzen to deliver our presentation, which will give you more detail on the acquisition and our rationale. Tom?

Thomas Heinzen

Thank you, Jerry and good morning. As Jerry stated earlier, if you are not logged in and watching the slide, you can download our presentation deck via our website. You will find it in the Investor Relations section under Events and Presentations.

This slide contains the legal disclaimer regarding the presentation and our forward-looking statements.

This morning we are very excited to be talking with you about our signing of a second strategic acquisition in less than a week. Today, we will be providing you with an overview of MVE Biological Solutions, the financing of the acquisition, the market drivers that are catapulting us forward, the strategic rationale of the acquisition, and how our family of companies will work together synergistically to serve the life sciences. Technically, MVE expands our moat further. It further entrenches us with our customers, adds new revenue streams, secures our future source of cryogenic shippers and storage equipment and expands our customer base.

Regarding the transaction, as you can see, the acquisition is for a price of \$320 million which will largely be funded by an investment into Cryoport of \$275 million from Blackstone, and then the remaining balance will be paid with cash on hand. This acquisition and the funding from Blackstone are expected to close during the fourth quarter. More details can be found in the 8-K which will be filed later today.

MVE Biological Solutions has been a valuable part of Chart Industries for decades and they have become far and away the global leader in the manufacturing of cryogenic life sciences equipment. We are very familiar with MVE as they have been manufacturing Cryoport's cryogenic dewars for several years. Our engineering team has worked closely with the MVE team to continuously improve our cryogenic shippers to be the best performing equipment in the market. Their drive for quality and reliability have continuously stood out to us. Financially upon the closing, Cryoport would have doubled its run rate with the CRYOPDP acquisition and will again double its run rate when MVE closes. The MVE acquisition will be immediately accretive as you can see from the high levels of Adjusted EBITDA that MVE produces.

MVE not only manufactures the aluminum cryogenic vessels for transportation, they are also the leading manufacturer of cryogenic tanks for storage. Having said that, MVE is not just a simple manufacturer of cryogenic tanks; far from it. What they do is very complex, hard to duplicate and they are very innovative. In 2017, MVE won industry awards for their development of Fusion the world's first self-sustaining cryogenic freezer and they have more innovative products under various stages of development.

For those of you that are new to Cryoport and as a quick reminder for those of you that are more familiar with us, Cryoport is focused on providing temperature-controlled supply chain solutions to three life science markets: Biopharma, Human Reproductive and Animal Health. Our primary driver of revenue growth has been and will continue to be from the cell and gene therapy space, where we are the leader in temperature-controlled logistics by supporting just under 500 clinical trials and four commercial therapies.

We have been steadily building out our Company to support our ever-growing number of customers, their corresponding clinical trials, as well as the global ramp of their commercially approved therapies. As you can see, the regenerative therapy market continues to gain steam. Just over \$10.7 billion raised in the first half of the year. That's up 120% from the prior year. These investments are driving the ever-

increasing number of clinical trials which are projected to result in a wave of commercial therapies by 2025. We recently disclosed in our second quarter call that we expect six commercial submissions by our customers before the end of 2020 and we have a line of sight on another 17 submissions by customers in 2021.

This slide takes the information from the prior slide and drills down further. It forecasts a number of approved cell and gene therapies out to 2027 in a number of scenarios. On the conservative side, the number of approved therapies will grow to 56 by 2027, and on the optimistic side more than double that to 120. The right side of this page translates those approved therapies into a corresponding number of patients treated. The result of this third-party analysis is a compounded annual growth rate for the number of patients treated to be at least 23% and as much as 43% by 2027.

Taking this one step further, looking again at the number of trials approved each year on the left and then on the right showing you the market potential. If 80 therapies come to market at an average commercial value of \$15 million, the potential is easily over \$1 billion. We are moving up our revenue range per expected commercial therapy because of the added potential revenue on a per commercial therapy basis from our recent acquisitions.

Taking a step back, if you look at the trailing 12 months of revenue that all of these companies generated, Cryoport and Cryogene's revenue over the last 12 months was about \$38 million. Add to that CRYOPDP's last 12 months of approximately \$48 million, and now add on top of that MVE's trailing revenue of \$81 million and you have a company with a run rate of over \$160 million.

When we have talked about the acquisition criteria in the past, we have talked about strategic fit, about how the companies would have to be accretive and well run. As you can see CRYOPDP and MVE, both acquisitions have checked all the boxes. The common thread that runs through the entire Cryoport family of companies is their dedication to supporting the life sciences. We are reinforcing our position as a leader in the temperature-controlled supply chain solutions for Biopharma, Animal Health and Human Reproductive markets by adding CRYOPDP and MVE to our family of companies.

We feel our new relationship with Blackstone holds a lot of promise and potential as they have an excellent team with global resources that will expand our reach and breath as we continue to build out our Company. Blackstone's due diligence on the end-markets, Cryoport itself, our acquisitions and our industry outlook add validation to the future of our markets and our position within it. Through this transaction, Blackstone will own approximately 18% of Cryoport after their investment of \$250 million in preferred stock and \$25 million in common stock.

Upon closing, there will be four companies synergistically working under the Cryoport Inc. Holding Company umbrella. We have built an established platform that will support the future growth of regenerative medicine and we intend to continue to grow organically, as well as to build out our platform as future opportunities arise.

Now, I will turn it back over to our CEO Jerry Shelton.

Jerrell Shelton

Thank you, Tom. Now we will open the lines for questions. Operator?

Operator

Thank you. We will now begin the question-and-answer session. To join the question queue, you may press star, then one on your telephone keypad. You will hear a tone acknowledging your request. If you are using a speakerphone please pick up your handset before pressing any keys. To withdraw your question, please press star, two. We will pause for a moment as callers join the queue.

The first question comes from Puneet Souda with SVB Leerink. Please go ahead.

Puneet Souda

Hi, Jerry, Tom, thanks for taking the questions. First of all, congrats on the acquisition.

Wondering if you could elaborate on the growth expectations for the MVE business. This is a business that's been growing at low single digits, as you pointed out. Obviously now with cell and gene therapies potentially shipping through that growth, is this likely to accelerate, but could you elaborate a bit on that and help us understand where that growth could go in 2021-2022 timeframe, and any cell synergies here that you are accounting for? Also, if you could elaborate what it means for the current business for MVE in terms of research and how much—what are your thoughts and plans on expanding on the blood and research and other parts of the non-clinical business?

Jerrell Shelton

Okay Puneet. Well, first of all, we would not have entertained buying MVE if we thought the growth rates had been in the low single digits. In fact, they weren't. They were near the low double digits, more like 10%. But that's still far below our threshold.

There is overall—if you look at what's coming up in cell and gene therapy, there's a vast shortage of storage capacity coming up, and MVE is the predominant supplier of storage tanks and storage technology in the world. So, we do expect a more robust growth rate going forward and we'll do that as we do with the company in total. We'll do that through organic growth and that means that there'll be product line extensions and new products. Some are in the making now and there'll be others, and there'll be some smaller acquisitions along the way as well. I think you are going to expect that in this company.

This is the premier company and it's an important supplier to Cryoport Systems today. This acquisition also assures us as we go through this exploding industry, this exploding universe that we are in the very first stages of, it assures us of supply. Not only for our transportation technology but also Bioservices. It's a hand-in-glove acquisition with tremendous future.

We will serve all the markets that we currently serve, and certainly we'll serve those markets outside of cell and gene therapy. But, the most exciting part of this market and its future is absolutely cell and gene therapy. So, regenerative medicine is just beginning.

Does that answer your question Puneet?

Puneet Souda

Yes, that's helpful, and then on that same point, if you could just help me elaborate—these are back-to-back acquisitions, CRYOPDP and now MVE. Just trying to understand what does that mean in terms of any vaccine scale up or any participation of Cryoport into vaccines? Is that something we should be thinking about? Then on your point of smaller acquisitions, could you elaborate in terms of other capabilities that you still need and could be added here to enhance the growing enterprise here?

Jerrell Shelton

Sure. So, you had something to say Tom?

Thomas Heinzen

Sure. Puneet, just on the vaccine on the COVID side. We are supporting, as of the end of the second quarter, eight vaccines and treatments, and obviously picking more temperature bands through CRYOPDP, adding in the capabilities of MVE will make it more possible to support, if and when vaccines

or treatments are approved. Again, we want to be very careful when talking about COVID treatments and vaccines because nobody knows when they will be approved, where they will be approved, etc., but this obviously expands our abilities and scale.

I would like to add to Jerry's prior comment. Besides historically what's been going on with MVE Biological Solutions, they also have about five or six new products that they hope to bring to market as well. So, it's not looking just backwards, it's looking forward with new innovations and new products.

Puneet Souda

On my second point of—in terms of additions of smaller acquisitions that Jerry had mentioned Tom, anything you can provide there in terms of the capabilities that you want to add. So, beyond CRYOPDP and MVE?

Jerrell Shelton

There's nothing that we can comment on specifically right now, but, there's only six ways to grow a company, and so that's price, volume, product line extensions, new product tactical acquisitions and strategic acquisitions. These two acquisitions are strategic to Cryoport Inc. and they will be tactical acquisitions. Tactical acquisitions are make or buy decisions. You either make it or you buy it because it's already there with a customer base and it's accretive, and so we do have those decisions to make as we move forward and we'll give you more color on the specificity of what we are doing as we move forward. But, we have to close these deals and get them digested first.

Puneet Souda

Great. Last one if I could squeeze in. On your development for the upright shipper, could you elaborate any changes on the timeline for that with this acquisition in place now?

Jerrell Shelton

Well, that's a Cryoport Systems project, it's the Cryosphere, and we expect that the first quarter of next year. But look, it's in engineering right now and development and that's where you have to iron out the wrinkles and so forth, and so that's our expected timeline. That could be affected by something we discover or we need to address, but it's right now expected timelines first quarter of next year.

Thomas Heinzen

Obviously Puneet adding MVE's engineering and capabilities and their manufacturing in the long run is big for supporting the manufacturing of all of our shipping methods and the Bioservices with storage equipment.

Puneet Souda

Okay great. Thank you.

Operator

The next question comes from Andrew D'Silva with B. Riley FBR. Please go ahead.

Andrew D'Silva

Thank you. Good morning. Congrats on the transaction and thank you for taking my questions.

I guess Jerry's statement of always staying in athletic stance wasn't just a saying, it's truly a Cryoport velocity. So, just a couple of quick ones from me. You used to manufacture your own dewars several years ago, and then pivoted to use outsourced manufacturers. Was MVE the only manufacturer you were using for the dewars subsequent to that, and what was the reason you stopped manufacturing and actually and moved to outsourcing at that point of time?

Jerrell Shelton

Andy, that's a good question.

When I took over the company eight years ago, it was fledgling. It was fledgling. It was trying to survive and so we had to turn it around and we did, but a part of that turnaround was for it to focus on its competencies on the main things it could do. It wasn't equipped to be a manufacturing company at that time truly. There was a big dewar inventory when I took over, there was manufacturing capability, but it wasn't built for scale, it wasn't built for comprehensiveness. It was built for a specific purpose and it was in my opinion it was inferior. So, we shut it down. We shut it down and started to focus on those things that we could do which was primarily logistics at that time.

Over the years, we've worked with all of the industry participants and every one of the industry participants. We know all of them. By far in a way MVE is the highest quality, most reliable, manufacturer and they have been supplying product to us for a number of years now. So, we know them very well and we know the industry very well. We also know what's coming in this industry. What's coming is a shortage of storage and a shortage of equipment. So, this move is an offensive move, it's a move to further complete our supply chain solutions for the life sciences, and it also has a defensive aspect to it as well because it gives us an assured supply for moving forward in other parts of our business. As you know, our business is going to grow dramatically given the space that we occupy and the outlook for the industry of 30% or 40% thereabouts growth rate as Tom went through in the presentation this morning.

Andrew D'Silva

No doubt, that was very useful color.

So MVE, I am assuming this also helps you better vertically integrate as it relates to Cryoport Systems Inc. Could you just maybe discuss what that would do to your gross margins or operating leverage as it relates to the logistical side of the business, and then, what does that do to your logistics business from a competitive landscape standpoint? You bring up a very good point that there are going to be shortages of dewars and storage going forward. Does this further solidify you within the cell and gene therapy space as you kind of guaranteed your supply of dewars and storage equipment?

Jerrell Shelton

Well, I am going to answer the last one first and then turn it to Robert to comment on the financial aspects. This absolutely solidifies. Our mission is to be the premier supplier of temperature-controlled supply chain solutions for the life sciences, and we are fulfilling that, and we are absolutely by these two acquisitions both CRYOPDP and MVE. So, we absolutely think this is the right move. We know it's the right move for our future.

So, Robert will comment on the financial aspects of the question you just asked.

Robert Stefanovich

Yes, and just to reemphasize. If you step back and look back at what happened over the last couple of days, with these two signings of acquisitions, we are the number one player, and I would say pretty much unrivaled in the space, and we just signed agreements, one to buy (inaudible) the number three player for

temperature-controlled logistic solutions in the life sciences, CRYOPDP, and the number one leader for cryogenic shipper and storage technology and solutions. So, this is a significant feat for us as a company and the strategy that we set out.

You look at the margin profiles—if you look at MVE and you look at CRYOPDP, margin profiles on a gross margin basis, slightly lower compared to where we currently stand. We do believe over time there is possibility for upward movement there. If you look at specifically MVE and their profile in general, Tom presented the financial profile in terms of just past performance in '18 and '19 and the Adjusted EBITDA performance—and I see the Adjusted EBITDA performance is in the 30's percent range. So, this is a significant modeling perspective, cash generator and generating of positive EBITDA. So, you have to look at it from those perspectives. One in terms of really further building moats to competition, driving an overall model that now generates revenue on a broader base. With MVE that brings additional cash and positive EBITDA to the model as well.

Andrew D'Silva

Okay. Very useful. Thank you. Just a couple of more quick ones from me. So, just looking at Cryogene specifically, they can't provide outsourced storage for specimen management. With MVE, they appear to provide storage that could be actually on site. Is that a business that aligns with Cryogene, and are there efficiencies that you see in being able to leverage that outside of maybe a traditional model? What I am really thinking about is, off the shelf or allogeneic opportunities. Can you effectively create a network of outsourced storage shipping as well as almost an onsite pharmacy style distribution model for cell and gene therapy that are off the shelf as you own the equipment and now you have one of the best logistics aspects within the industry as well?

Jerrell Shelton

I am going to answer part of that and then I'm going to turn it to Mark Sawicki to answer the other aspects of your question, the last part of it.

MVE is the primary supplier to Cryogene, and Cryogene is in its infancy. We will expand Cryogene. It focuses on pre-clinical. It's a different aspect. Also, we are building out two supply chains centers in New Jersey and Texas, and both of those will require storage because that is the core of it. Bioservices, they are being built out for clinical, so they are being built out for trials and for commercial product, and within that commercial product they are being built out for both (inaudible) storage and especially for allogeneic storage and fulfillment. Going beyond that is another aspect, and so I want to turn it to Mark to give further color on that.

Mark Sawicki

Thanks Jerry. So, there are a couple of perspectives to think about this from a business engagement standpoint. First and foremost, with a combination of Chart and our own Bioservices competency, whether a client makes a determination to outsource or to build that asset internally, obviously will be able to support and ensure that they have the appropriate systems equipment and processes before doing it to capture all of that storage need on a global basis. So that's component one.

But component two is a broader context, and that is if you look at the projections that Tom went through in the presentation earlier today as it relates to the volume of materials that are going to be coming out to the market, there's going to be a significant need, not only for storage of drug substance and drug product which would heavily tie in to assets similar to what Jerry mentioned that we are building out at our new supply chain centers, but you are also going to see a significant need for end user and particularly for allogeneic therapies end user storage at hospitals and other clinical settings to store product that's being batch manufactured. So, we anticipate a need on both the front end as well as the back end of these therapies as they start to move out into the community setting over time, and people become more

comfortable with themselves. There is a huge growth potential that's built into that nexus of opportunity related to the market distribution of these therapies.

Andrew D'Silva

This is really fascinating, interesting. Thank you. Congrats on all the progress and the two transactions. I will take everything else offline. Best of luck going forward.

Male Speaker

Thanks Andrew.

Operator

The next question comes from Richard Baldry with ROTH Capital. Please go ahead.

Richard Baldry

Thanks. Sort of curious, was Cryoport itself a material customer of MVE, and sort of the question I am asking is, when we look at putting the two revenue streams together, does part of MVE's revenues kind of disappear because it is now a related entity, so to be careful in our modeling of how high, sort of revenues to add on top?

Jerrell Shelton

It's safe to say that Cryoport was a significant customer in the top 10, but it definitely is not. It's not even close to the top two or three. So, we are significant but nowhere close to the top.

Thomas Heinzen

It doesn't have a great impact on the modeling for that purpose. You have to stand back and look at what they provide, if you go to their website and you see the product portfolios they have, we are just one piece from a Cryoport's Systems perspective in their cryogenic shipper product portfolio, and then you add on top of it their storage technology and solutions as well.

Richard Baldry

Maybe—I don't know if you have gone through this exercise, but when you did PDP's acquisition, you talked about \$100 million in cost revenue synergies over five years. Has there been any sort of high level thought process similar to that around the MVE acquisition?

Jerrell Shelton

This is a supplementary acquisition or as PDP was a complementary acquisition, so this broadens our footprint. They are not those kinds of synergies with MVE. There will be synergies but they will be developed as we move along but nothing like that what we talked about with CRYOPDP.

Richard Baldry

Then, when we look at the Adjusted EBITDA number that they have, when you bring it inside of Cryoport, I think most people view you as a very accelerated grower. Does it make sense in your first 12 months to really crack that EBITDA slightly backward first to invest in the overall—especially now that you have done the two acquisitions quickly, invest a little more heavily upfront in the overall organization pulling that EBITDA number down for some period of time before the acceleration of the new approvals comes

through? Or, do you feel like that EBITDA number is steady and something that looks more like a new baseline?

Robert Stefanovich

Yes, I can add a little bit of color to that. Throughout the diligence process, we spent a lot of time with additional experts as well, is really to identify what is required in terms of a standalone cost, but also what type of investments we would be looking at. Because again, this is really moving into an area of fast growth in the cell and gene therapy space. So, we will make some investments and we will further clarify that over as we file the proforma financial statements, we do expect the acquisitions both to close in the fourth quarter. We do plan on filing the proforma's shortly after closing of the acquisitions but there will be some investments so you probably have to pull it back a little bit just to account for stand-alone costs as well as some investments.

Richard Baldry

Great. The last one, it's sort of been touched on, but could you talk about sort of a new challenge of dealing with either existing competitors or would-be competitors as a supplier now potentially that you own MVE. Maybe with the backdrop of if it is a supply constrained world, how does that affect trying to deal with allocations etc. in a world where you now might be supplying competitors? Thanks.

Jerrell Shelton

We will continue to run the business objectively. This industry is full of coopetition; that is where you have competitors who are also your customers. We have many of those in this industry and MVE is no different. We will continue to service all of our customers with integrity and objectivity.

Mark Sawicki

Hey Jerry do you mind if I add to that briefly?

Jerrell Shelton

Yes, please do Mark.

Mark Sawicki

I think actually on top of that, you are going to see a fairly positive response in my mind, and it comes back to the fact that the market understands that we have a better idea of the pulse and change of the scale-based requirements for these commercialization events. So, based on the fact that we get detailed forecasting information from our commercial clients and from our folks that are planning to go commercial, it allows us to better understand that, and to be more proactive in reacting to capacity modifications within Chart or somebody along those lines to prepare in advance to ensure that we can capture and support the market effectively.

Richard Baldry

Great. Thanks, and congrats.

Jerrell Shelton

Thank you Rich.

Operator

The next question comes from Jacob Johnson with Stephens. Please go ahead.

Jacob Johnson

Hey, congrats on the deal and thanks for taking the questions. Just first high level on growth. Growth at MVE has been muted relative to the growth that Cryoport has been putting up. Given the significant tail winds in cell and gene therapy, why haven't they grown faster. Is this as simple as they don't have the relationships you do with regenerative medicine, and in fact really the opportunity here to accelerate growth?

Jerrell Shelton

You know Jacob, there's a tremendous opportunity to accelerate growth and we've talked with teams internally as well as with the teams at MVE. But remember MVE is a carveout from a much larger company and MVE only accounting for maybe 5% of Charts revenue. It didn't get the level of attention that it will get with Cryoport. It didn't get the push, the support that it will get from Cryoport. So, we absolutely see a stellar future for MVE.

Jacob Johnson

Makes sense. Thanks for that Jerry. Are there going to be some top synergies now that you are essentially buying dewars from yourself?

Jerry Shelton.

Is it going to be what, Jacob?

Jacob Johnson

Kind of following up on a prior question. Just like gross margins, will there be some kind of natural synergy now that you are no longer buying these dewars from MVE, you are buying them from yourself?

Robert Stefanovich

If you look at it, the operating holding structure, MVE will be a separate stand-alone company and the sister company RCB will be working together. There's going to be certain cost synergies also when you look at even the operating holder, holding structure, both with the CRYOPDP and the MVE acquisitions. But, I would look at it more again from a perspective of a broader solution. The teams working together, that has already happened over the last years between MVE and Cryoport Systems where the engineering teams have worked closely together in further refining the specific shipper technology that was used within Cryoport Systems, and that collaboration is obviously going to happen in a much detailed and broader scale for development of new shipper technology.

Jacob Johnson

Great. Thanks Robert. Just one last one from me. Kind of bigger picture. Just on integration, you now announced two large deals in the last week that really transform revenue base and I guess arguably transform the company. I know you have this holding company strategy, but could you just comment on your abilities to integrate two large acquisitions simultaneously?

Robert Stefanovich

Look, I think the way we are set up, certainly there's work ahead of us. We did do a lot of work in the due diligence process, I think in parallel to start planning for the integration and then further reporting in support functionality with CRYOPDP and Cryoport Systems. We mentioned in our last call last week that the teams have already started working—Mark eluded today on this call working with the PDP team to really drive the rent revenue synergies that we see specifically related to that acquisition.

So yes, we are preparing forward. I think we have a plan, we are going to map that out, and I really don't think that there's going to be any significant issues with bringing the two companies under the fold of Cryoport Inc. as part of the family of companies

Jerrell Shelton

Jacob, both these companies have good management teams in place and they're cultural fits, and from a management point of view they run independently. So that just underlines, underscores what Robert just said about bringing them in under the Cryoport umbrella.

Jacob Johnson

Got it. Thanks for taking the questions and congrats on another deal.

Jerrell Shelton

Thanks Jacob.

Operator

The next question comes from Steve Unger with Needham. Please go ahead.

Steve Unger

Hi, good morning.

Jerrell Shelton

Morning.

Steve Unger

Forgive me if I missed this. The revenue mix by end-market for MVE, maybe specifically highlight Reproductive versus Biopharma?

Jerrell Shelton

Steve, restate that question please.

Steve Unger

What is the revenue mix by end-market of MVE...

Jerrell Shelton

So, we don't comment on that kind of detail, but I can tell you this. The markets that MVE serves are the same as the markets that Cryoport Systems serves. That's Biopharma, Reproductive Medicine and Animal Health, and so it will line up very nicely with what we are doing. Obviously the most promising part of that in the life sciences market is the regenerative medicine market which we are focused on with a laser beam.

Steve Unger

Got it. Okay. Then is there a way to quantify the (inaudible) customer base of stores that are out there? How big is that?

Jerrell Shelton

I can't tell you right now and there is no way for us to quantify it. I can tell you that over the years, we have looked at a variety, an enormous number, we have a lot of data, but there are a lot of bio storage operations, some are high quality, most are not high quality. We bought the highest quality bio storage operation in the industry when we bought Cryogene, but I can't tell you the exact number that are out there. By the way, it's not just the United States, this is global. MVE is quite strong in Asia and they are strong in EMEA as well as in United States. So, you have to think about this on a global basis. It's not just the United States.

Steve Unger

Good. I'm glad you touched on that. That was my next question and thanks for that. Just curious about the new product development roadmap. Does MVE have plans to automate the bio stores?

Jerrell Shelton

Well, MVE currently participates in the automation of bio storage. They participate in that with Brooks Automation. Brooks Automation has an automated picking system, its enclosed and gives better security and so forth. So, it does participate that way. Then the other thing that MVE has on the market now is it has a product called Fusion. A Fusion product whereby you don't have to pipe in liquid nitrogen. You can store the liquid nitrogen in one time and you never have to fill up the product again and it gives you the ability to put—and especially in these foreign countries, to put storage units on second, third and fourth floors with no problem, without plumbing of liquid nitrogen. MVE is quite innovative and it is the leader and it will continue to be the leader in innovation in the storage area for sure.

Steve Unger

Got it. Then my last question is, how is the salesforce you are adding now, two companies quite quickly. How are they going to be organized going forward? Are they going to be organized per unit, or are you going to have a global team?

Jerrell Shelton

Salesforces are organized as per the companies. I mean, CRYOPDP has its salesforce, Cryoport Systems has its salesforce, Cryogene has its sales effort, and MVE has its sales effort. MVE has quite a bit of—like 70% of its sales is through a distributor network, a global distributor network. So, that global distributor network gives it great reach and great power.

Steve Unger

Okay. That's helpful. Appreciate it. Congratulations guys. Thank you.

Jerrell Shelton

Thanks Steve.

Operator

This concludes the question-and-answer session. I would like to turn the conference back over to Jerrell Shelton for any closing remarks

Jerrell Shelton

Thank you, Operator, and thank all of you for your questions and your comments.

As you noted in our presentation, we are addressing what I sometimes refer to as an exploding market. The regenerative medicine market is forecast to grow an excess of 40% per annum over the next 10 years or so, and we are making sure that we are the market leaders in supporting that growth by acquisitions such as MVE and CRYOPDP. The acquisition of MVE enables us to leverage the leading market position in the cryogenic equipment market required to support the regenerative medicine supply chain ecosystem at what we think is just the right time; a time when the cell and gene therapy market will be experiencing a rapidly accelerating commercialization of products.

MVE Biological Solutions is entrenched worldwide with the most sophisticated life science clients. Offers, complementary solutions to Cryoport to supply the rapidly growing life sciences industry with vital cryogenic storage and transport equipment solutions. This acquisition will provide us with a unique strengthening of our competitive advantages as the leader in temperature-controlled supply chain solutions for the life sciences.

Thank you to all our shareholders for their ongoing support as we execute on the strategy and reposition Cryoport as a significantly larger player in the market.

Now, I will turn the call back over to the Operator to close the lines.

Operator

This concludes today's conference call. You may disconnect your lines. Thank you for participating and have a pleasant day.