



Press Release
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Orgenesis secures up to USD 50 Million subsidiary-level investment from Metalmark Capital to accelerate growth of Point-of-Care services

Germantown, Maryland, US, November 7, 2022 - [Orgenesis Inc. \(NASDAQ: ORGS\)](#) (“Orgenesis” or the “Company”), a global biotech company working to unlock the full potential of cell and gene therapies (CGT) at the point of care, and Metalmark Capital Partners (“Metalmark”), a leading private equity firm with extensive expertise in the healthcare sector, today announced an investment partnership whereby Metalmark has agreed to make a growth investment of up to USD 50 million in Orgenesis’ US-based point of care services subsidiary, Morgenesis LLC (“Morgenesis”). The investment will be made at a pre-money valuation of USD 125 million, subject to customary adjustments, and will consist of an upfront investment of USD 30 million and two future investments of USD 10 million each, subject to the achievement of certain milestones. The initial investment of USD 30 million will consist of USD 20 million in cash and conversion of the convertible loan Metalmark previously provided to Morgenesis in August 2022.

Orgenesis created Morgenesis, the POCare Services subsidiary, to streamline all existing POCare Service business units into one unified entity, bringing together a full-service range of solutions for therapeutic developers for point-of-care treatments. The newly formalized service offering will provide solutions from initial process development, regulatory strategy and implementation, “OMPULization” (full cGMP process development, including closing/automating the process for point of care treatments), full cGMP processing and supply of therapeutic product to patients at the point of care, to clinical trial design and management. The Orgenesis parent company will own the majority of Morgenesis immediately following the initial closing while continuing to support its licensed therapeutic pipeline developing products in various fields such as metabolic diseases and virally induced diseases.

“We are excited to partner with Vered Caplan and the entire Morgenesis team,” said Howard Hoffen, Chairman and CEO of Metalmark. “The company has built an impressive and differentiated point of care model which accelerates access for patients to innovative therapies, and we look forward to supporting Morgenesis as it continues to expand globally and in the United States.”

“Orgenesis has been developing and delivering cell and gene therapies for patients in an affordable and accessible format at the point of care. We have developed the Orgenesis POCare Platform, utilizing POCare Technology systems, to optimally produce and deliver cell and gene therapies to treat patients across a collaborative global POCare Network of hospitals and healthcare providers. We see substantial demand for our POCare services, and this is why we have created a specific subsidiary to manage the delivery of these services through our POCare Network,” said Vered Caplan, CEO of Orgenesis. “We have selected Metalmark Capital as a partner in the POCare services subsidiary for their history of investment and success in the pharmaceutical services sector. These funds will be instrumental to the further growth and rollout of the POCare platform. The platform is critical to deliver cell and gene therapies globally in a cost-effective format.”

Morgenesis will use the investment to develop and expand its new POCare Services business globally, but with an initial focus on the United States. This includes the development of additional POCare Centers, as well as the Orgenesis Mobile Processing Units and Labs (“OMPULs”). OMPULs will allow Orgenesis to provide biotech companies and hospital systems with global cGMP supply for their cell and gene therapy products at the point of care, with the ability to rapidly grow and scale cell and gene treatments to keep up with ever increasing demand.

For further details on the transaction, please refer to the Company's Form 8-K to be filed with the Securities and Exchange Commission on November 7, 2022.

ENDS

Advisors

/Perella Weinberg Partners LP served as exclusive financial advisor to Orgenesis on this transaction. Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. and Pearl Cohen Zedek Latzer Baratz LLP served as legal advisors to Orgenesis.

William Blair & Company, LLC served as exclusive financial advisor to Metalmark and Davis Polk & Wardwell, LLP served as legal counsel to Metalmark.

About Metalmark Capital

Metalmark Capital is a leading private equity firm that seeks to build long-term value through active and collaborative partnerships with business owners, founders and executives. The firm focuses its investment activity in healthcare, agribusiness, and industrials. Metalmark Capital manages funds with USD 3 billion in aggregate capital commitments. For more information, please visit www.metalmarkcapital.com.

About Orgenesis

Orgenesis is a global biotech company working to unlock the full potential of cell and gene therapies (CGTs) in an affordable and accessible format at the point of care. The Orgenesis POCare Platform is comprised of three enabling components: a pipeline of licensed POCare Therapeutics that are processed and produced in closed, automated POCare Technology systems across a collaborative POCare Network. Orgenesis identifies promising new therapies and leverages its POCare Platform to provide a rapid, globally harmonized pathway for these therapies to reach and treat large numbers of patients at lowered costs through efficient, scalable, and decentralized production. The POCare Network brings together patients, doctors, industry partners, research institutes and hospitals worldwide to achieve harmonized, regulated clinical development and production of the therapies. 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, our reliance on, and our ability to grow, our point-of-care cell therapy platform and OMPUL business, our ability to achieve and maintain overall profitability, our ability to manage our research and development programs that are based on novel technologies, our ability to control key elements relating to the development and commercialization of therapeutic product candidates with third parties, the timing of completion of clinical trials and studies, the availability of additional data, outcomes of clinical trials of our product candidates, the potential uses and benefits of our product candidates, our ability to manage potential disruptions as a result of the COVID-19 pandemic, the sufficiency of working capital to realize our business plans and our ability to raise additional capital, the development of our POCare strategy, our trans differentiation technology as therapeutic treatment for diabetes, the technology behind our in-licensed ATMPs not functioning as expected, our ability to further our CGT development projects, either directly or through our JV partner agreements, and to fulfill our obligations under such agreements, our license agreements with other institutions, our ability to retain key employees, our competitors developing better or cheaper alternatives to our products, risks relating to legal proceedings against us 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 December 31, 2021, 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.