Lineage Cell Therapeutics Receives $24.6 Million Payment From Juvenescence Ltd.

August 31, 2020

Additional Capital Provides Over Two Years of Cash Runway Based on Current Business Plan

CARLSBAD, Calif.--(BUSINESS WIRE)--Aug. 31, 2020-- Lineage Cell Therapeutics, Inc. (NYSE American and TASE: LCTX), a clinical-stage biotechnology company developing novel cell therapies for unmet medical needs, today announced it received $24.6 million in cash from Juvenescence Ltd., representing principal and interest due under a convertible promissory note. The note was issued in August 2018 as partial payment for the sale by Lineage to Juvenescence of 14.4 million shares of common stock of AgeX Therapeutics, Inc.

“Lineage has been tremendously successful at monetizing its extensive patent and technology portfolio, most notably through the creation and sale of businesses like AgeX and OncoCyte, and the license or sale of non-core assets. It is worth highlighting that we have not conducted a traditional equity financing in nearly three years, and with an additional $24 million just received from Juvenescence, we believe we have over two years of cash runway based on our current business plan. This cash runway extends well past the expected timing of several major clinical milestones. We are best known for our promising cell therapy programs that are advancing through clinical trials, but I believe our broad technology platform, our financial strategy, and our responsible spending approach are equally notable and likely under-appreciated, particularly in a capital-intensive industry,” stated Brian M. Culley, Lineage CEO. “Our core technology continues to be highly productive, not least of all by providing the foundation for three unique cell therapy programs, each with emerging safety and efficacy data and significant commercial opportunities. Furthermore, the VAC program we recently reacquired from Cancer Research UK includes a platform capable of generating numerous new programs, which may unlock exciting opportunities for us or for partnerships with other companies. Our mission is to convert the power of our directed cell differentiation platform into novel products and provide our shareholders with long-term growth and sustainability.”

Importantly, Lineage has the following plans and objectives for the remainder of 2020:

- **Meet with BARDA** as part of the BARDA CoronaWatch Meeting Program, to discuss the use of dendritic cells for vaccine development (revised to September).

- **Report initial VAC2 clinical data** from patients treated in the ongoing Phase 1 trial in NSCLC (non-small cell lung cancer) run by Cancer Research UK.

- **Present new and accumulated OpRegen data** from the ongoing Phase 1/2a clinical trial at the American Academy of Ophthalmology (AAO) Annual 2020 Meeting the second week of November.

- **Complete patient enrollment** in the U.S. with the Gyroscope Orbit SDS and new thaw-and-inject formulation in the ongoing Phase 1/2a clinical trial of OpRegen for the treatment of dry AMD.

- **Update U.S. Food and Drug Administration (FDA)** on our recent progress and discuss further development of the OPC1 program.

About Lineage Cell Therapeutics, Inc.

Lineage Cell Therapeutics is a clinical-stage biotechnology company developing novel cell therapies for unmet medical needs. Lineage’s programs are based on its robust proprietary cell-based therapy platform and associated in-house development and manufacturing capabilities. With this platform Lineage develops and manufactures specialized, terminally differentiated human cells from its pluripotent and progenitor cell starting materials. These differentiated cells are developed to either replace or support cells that are dysfunctional or absent due to degenerative disease or traumatic injury or administered as a means of helping the body mount an effective immune response to cancer. Lineage’s clinical programs are in markets with billion dollar opportunities and include three allogeneic (“off-the-shelf”) product candidates: (i) OpRegen ®, a retinal pigment epithelium transplant therapy in Phase 1/2a development for the treatment of dry age-related macular degeneration, a leading cause of blindness in the developed world; (ii) OPC1, an oligodendrocyte progenitor cell therapy in Phase 1/2a development for the treatment of acute spinal cord injuries; and (iii) VAC, an allogeneic dendritic cell therapy platform for immuno-oncology and infectious disease, currently in clinical development for the treatment of non-small cell lung cancer and in preclinical development for additional cancers and as a vaccine against infectious diseases, including SARS-CoV-2, the virus which causes COVID-19. For more information, please visit www.lineagecell.com or follow the Company on Twitter @LineageCell.

About Juvenescence Ltd.

Juvenescence is a bio-pharma development company developing therapies focused on allowing people worldwide to live longer, healthier lives. It was founded by Jim Mellon, Dr. Greg Bailey and Dr. Declan Doogan. Juvenescence has raised $111 million to build an ecosystem and pipeline of assets targeting aging, age-related disease, and regeneration. Juvenescence believes that recent scientific and medical advances will enable the development of therapeutics that meaningfully extend human health span and eventually lifespan. A meaningful increase in lifespan in the already aging world will have profound implications on all sectors of society, and in particular healthcare, education, insurance, and leisure. The company creates and partners with new companies with longevity-related therapeutics, by in-licensing compounds from academia and industry, or forming joint ventures with the foremost longevity scientists and leading research institutions. Their work is based on a novel scientific understanding of the underlying biological causes of aging, to create evidence-based therapeutics that can treat diseases of aging. Juvenescence's goal is to extend both lifespan and health span, by developing therapeutics that slow aging and promote juvenescence.

Forward-Looking Statements

Lineage cautions you that all statements, other than statements of historical facts, contained in this press release, are forward-looking statements.

Forward-looking statements, in some cases, can be identified by terms such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “design,” “intend,” “expect,” “could,” “plan,” “potential,” “predict,” “seek,” “should,” “would,” “contemplate,” project,” “target,” “tend to,” or the negative version of these words and similar expressions. Such statements include, but are not limited to, statements relating to Lineage’s expected cash runway, enrollment activities, data presentations, clinical trial advancement, planned meetings with the FDA and partnership evaluations. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Lineage’s actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by the forward-looking statements in this press release, including risks and uncertainties inherent in Lineage’s business and other risks in Lineage’s filings with the Securities and Exchange Commission (the SEC). Lineage’s forward-looking statements are based upon its current expectations and involve assumptions that may never materialize or may prove to be incorrect. All forward-looking statements are expressly qualified in their entirety by these cautionary statements. Further information regarding these and other risks is included under the heading “Risk Factors” in Lineage’s periodic reports with the SEC, including Lineage’s Annual Report on Form 10-K filed with the SEC on March 12, 2020 and its other reports, which are available from the SEC’s website. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made. Lineage undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

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