



Lineage Cell Therapeutics Raises \$35.9 Million From Sales of Marketable Securities Holdings and an At-the-Market Equity Offering

March 8, 2021

Improved Cash Position Expected to Fund Operations for More Than Two Years

CARLSBAD, Calif.--(BUSINESS WIRE)--Mar. 8, 2021-- [Lineage Cell Therapeutics, Inc.](https://www.lineagecell.com) (NYSE American and TASE: LCTX), a clinical-stage biotechnology company developing allogeneic cell therapies for unmet medical needs, today reported that it raised \$11 million in new capital from sales of its holdings of marketable securities, including shares of OncoCyte Corporation (Nasdaq: OCX) and Hadasit Bio-Holdings (TASE: HDST), as well as \$25 million in gross proceeds from its at-the-market ("ATM") offering. Lineage expects its approximately \$57 million of cash and cash equivalents as of March 5, 2021 to fund operations well into 2023, by which time the Company expects to have achieved value-creating clinical and product development milestones. Lineage's strengthened balance sheet also provides it with strategic flexibility in its ongoing partnership discussions.

"During the past six months, appreciation in our share price and that of marketable securities we owned has provided us with opportunities to monetize our investments and raise additional capital through our ATM offering," stated Brian Culley, Lineage's CEO. "These sales underscore that Lineage has created substantial value for its shareholders over time not only by advancing our product candidates toward later-stage clinical trials, but also by making and now harvesting significant early investments in OncoCyte and Hadasit and from aggressive and prudent expense reductions we previously reported. We expect that Lineage is now funded well into 2023, by which time we expect to have reached additional significant milestones, explored new areas to deploy our technology, and moved Lineage ever closer to our goal of becoming the preeminent allogeneic cell transplant company. Our stronger balance sheet also can provide us with optionality with respect to our ongoing partnership discussions."

Cash and cash equivalents as of December 31, 2020 were \$32.6 million and reflected \$5.1 million in gross proceeds from sales on the ATM (which excluded \$0.3 million in cash in transit related to 2020 sales that settled in 2021) and \$0.8 million in gross proceeds from sales of Hadasit shares during the fourth quarter. From January 1, 2021 through March 5, 2021, Lineage raised an additional \$19.9 million in gross proceeds through the ATM offering (which included \$0.3 million in cash in transit related to 2020 sales that settled in 2021), as well as \$10.1 million in gross proceeds from sales of OncoCyte shares and \$21,000 in gross proceeds from sales of Hadasit shares. Lineage incubated OncoCyte and funded its initial product development before spinning it out as a separate public company in January 2016. As of March 5, 2021, OncoCyte's market capitalization was over \$300 million and Lineage has realized \$32.5 million in total sales of its OncoCyte shares over time. The Company continues to hold 1,122,401 shares of OncoCyte stock valued at approximately \$4.2 million and 169,167 shares of Hadasit stock valued at approximately \$330,000, in each case based on the closing prices of those shares on March 5, 2021. Previously, Lineage also incubated and funded the initial product development of AgeX Therapeutics (NYSE American: AGE), and subsequently spun it out as a separate public company in November 2018, ultimately raising nearly \$50 million from sales of its securities. Lineage believes that its broad technology platform and intellectual property portfolio may allow it to create additional value for shareholders through the advancement of its own novel pipeline as well as through the incubation and development of other products and companies, and through strategic corporate partnerships.

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 technology platform and associated in-house development and manufacturing capabilities, as well as its broad intellectual property portfolio. With its technology 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 to be 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 market opportunities and include three allogeneic ("off-the-shelf") product candidates: (i) OpRegen[®], a retinal pigment epithelium transplant therapy in a fully enrolled 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 a fully enrolled 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. Lineage's broad technology platform and intellectual property portfolio also have allowed it to create value through the incubation, spinoff, and sale of companies addressing other large market opportunities. For more information, please visit www.lineagecell.com or follow the Company on Twitter [@LineageCell](https://twitter.com/LineageCell).

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 burn, timing for expected achievement of milestones, and partnership discussions. 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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