

## PRESS RELEASE

### **CBMG Accelerates Cell Therapy Manufacturing with GE Healthcare's New Start-to-Finish Solution**

- *GE supports CBMG in its aim to speed up manufacturing timelines for its CAR T-cell therapy clinical trials and future commercialization*
- *First GE Healthcare FlexFactory™ for cell therapy installation in the world will provide CBMG with scalable, fully-equipped cell therapy manufacturing capabilities, training and services*

**Shanghai, China and Cupertino, CA– 18 January 2018** — Cellular Biomedicine Group Inc. (NASDAQ: CBMG) (CBMG or the Company), a leading clinical-stage biopharmaceutical firm engaged in the development of immunotherapies for cancer, has announced its plan to configure part of its facility in Shanghai with GE Healthcare's FlexFactory™ platform, which will be designed to speed up manufacturing timelines for its cell therapy clinical trials and commercial launch.

There are more than 900 regenerative medicine trials underway globally, including trials in cell and gene therapy, a 19 percent increase since 2016.<sup>1</sup> Despite the increased number of precision medicine trials, gaps exist in how to manufacture these precise therapies to meet demand. Scalable integrated solutions to support the transition from clinical trials to commercialization have been limited. Many of the multiple cell therapy manufacturing process steps<sup>2</sup> remain largely unintegrated and manual, with open transfers between steps increasing contamination risk. To address these challenges and allow for reproducible manufacturing of cell therapies, GE Healthcare has developed FlexFactory for cell therapy, a scalable, semi-automated end-to-end platform.

From start to finish, the process of getting a lab ready for optimized industrial-scale manufacturing would typically take a cell therapy manufacturer over 18 months to complete. FlexFactory can reduce this time by up to 50 percent, getting a company ready to manufacture at scale nine months faster, ultimately accelerating time to market and enabling clinicians to deliver therapies to patients sooner. Following the execution of this non-binding letter of intent (LOI), CBMG will become the first company to install GE's FlexFactory for cell therapy, and anticipates that the FlexFactory will be operational in the CBMG-GE Joint Laboratory of Cell Therapy by the end of 2018.

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<sup>1</sup> ARM 2018 State of the Industry: [https://alliancerm.org/sites/default/files/ARM\\_SOTI\\_2018\\_FINAL.pdf](https://alliancerm.org/sites/default/files/ARM_SOTI_2018_FINAL.pdf)

<sup>2</sup> The typical cell therapy manufacturing workflow includes controlled product thaw, isolation, activation, expansion, harvest, final formulation, and cryopreservation.

“This is a productivity revolution in the CAR-T space – this new generation of semi-automated and standardized CAR-T manufacturing capabilities created by GE Healthcare and CBMG may allow cell therapy to provide an optimal platform and opportunity for general oncology patients. This long-term collaboration with GE could help us utilize digital technology, semi-automation and analytics, in an effort to reduce overall costs, and deliver treatments to patients more efficiently,” said Tony (Bizuo) Liu, Chief Executive Officer, CBMG.

GE Healthcare’s FlexFactory solution will support CBMG by providing process development and training services, cell processing equipment, semi-automation capabilities, and digital connectivity solutions – all of which support current good manufacturing practices (cGMP)-compliant manufacturing. CBMG plans to use its FlexFactory to speed up its timelines for commercializing its CAR T-cell therapies, targeting various blood and solid tumor cancers.

“With the rate in which cell therapies are moving through clinical trials, we understand how critical it is for companies to scale out manufacturing process capabilities, while still meeting clinical development timelines and remaining cost effective. We are committed to collaborating with cell therapy manufacturers on their journey from trials to industrialization, as they look to ultimately deliver these groundbreaking therapies to thousands of patients around the world,” said Ger Brophy, General Manager, Cell Therapy, GE Healthcare Life Sciences.

Through its collaboration with the Centre for Commercialization of Regenerative Medicine (CCRM), a leader in developing and commercializing regenerative medicine technologies and cell and gene therapies, GE Healthcare is providing CBMG with process development services. The combined GE and CCRM process development team is comprised of 35 scientists and engineers with expertise in advanced therapeutic cell technologies, helping bridge the gap between research protocols and industrial manufacturing. GE and CCRM will support CBMG in increasing process efficiency by establishing a robust process development effort focused on simplifying, integrating and automating the manufacturing workflow.

“CCRM and GE Healthcare established the Centre for Advanced Therapeutic Cell Technologies, or CATCT, to industrialize cell manufacturing and accelerate the efforts of companies working with cell and gene therapies. The partnership between CBMG and GE is an exciting opportunity for the team at CCRM to demonstrate its process development skills and knowledge in overcoming cell therapy production challenges. We look forward to enabling CBMG in its efforts to commercialize its CAR T-cell therapy to treat patients with various blood and solid tumor cancers,” said Michael May, President and CEO, CCRM.

### **About Cellular Biomedicine Group**

Cellular Biomedicine Group, Inc. (NASDAQ: CBMG) develops proprietary cell therapies for the treatment of cancer and degenerative diseases. We conduct immuno-oncology and stem cell clinical trials in China using products from our integrated GMP laboratory. Our GMP facilities in China, consisting of twelve independent cell production lines, are designed and managed according to both China and U.S. GMP standards. CBMG recently commenced two Phase I human clinical trials in China using CAR-T to treat relapsed/refractory CD19+ B-cell Acute Lymphoblastic Leukemia (ALL) and Refractory Diffuse Large B-cell Lymphoma (DLBCL) as well as an ongoing Phase I trial in China for AlloJoin™ (CBMG’s “Off-the-Shelf” Allogeneic Human Adipose-derived Mesenchymal Stem Cell) for the treatment of Knee Osteoarthritis (KOA). In 2017 CBMG was awarded \$2.29 million from the California Institute for Regenerative Medicine (CIRM) to support pre-clinical studies of AlloJoin™ for Knee Osteoarthritis in the United States. To learn more about CBMG, please visit [www.cellbiomedgroup.com](http://www.cellbiomedgroup.com).

### **About GE Healthcare**

Harnessing data and analytics across hardware, software and biotech, GE Healthcare is the \$18 billion healthcare business of GE (NYSE: GE). As a leading provider of medical imaging equipment, with a track record of more than 100 years in the industry and more than 50,000 employees across 100 countries, we transform healthcare by delivering better outcomes for providers and patients. Follow us on [Facebook](#), [LinkedIn](#), and [Twitter](#) or [The Pulse for latest news](#). Visit the [GE Healthcare Life Sciences website](#) for more information.

### **About CCRM**

CCRM, a Canadian not-for-profit organization funded by the Government of Canada, the Province of Ontario, and leading academic and industry partners, supports the development and commercialization of regenerative medicines and associated enabling technologies, with a specific focus on cell and gene therapy. A network of researchers, leading companies, strategic investors and entrepreneurs, CCRM aims to accelerate the translation of scientific discovery into new companies and marketable products for patients, with specialized teams, funding, and infrastructure. CCRM is the commercialization partner of the Ontario Institute for Regenerative Medicine and the University of Toronto's Medicine by Design. CCRM is hosted by the University of Toronto. Visit us at [www.ccrm.ca](http://www.ccrm.ca).

### **Forward-Looking Statements**

*Statements in this press release relating to plans, strategies, trends, specific activities or investments, and other statements that are not descriptions of historical facts and may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking information is inherently subject to risks and uncertainties, and actual results could differ materially from those currently anticipated due to a number of factors, which include those regarding our ability to implement our plans, strategies and objectives for future operations, our ability to execute on proposed new products, services or development thereof, results of our clinical research and development, regulatory infrastructure governing cell therapy and cellular biopharmaceuticals, our ability to enter into agreements with any necessary manufacturing, marketing and/or distribution partners for purposes of commercialization, our ability to seek intellectual property rights for our product candidates, competition in the industry in which we operate, overall market conditions, any statements or assumptions underlying any of the foregoing and other risks detailed from time to time in CBMG's reports filed with the Securities and Exchange Commission, quarterly reports on form 10-Q, current reports on form 8-K and annual reports on form 10-K. Forward-looking statements may be identified by terms such as "may," "will," "expects," "plans," "intends," "estimates," "potential," or "continue," or similar terms or the negative of these terms. Although CBMG believes the expectations reflected in the forward-looking statements are reasonable, they cannot guarantee that future results, levels of activity, performance or achievements will be obtained. CBMG does not have any obligation to update these forward-looking statements other than as required by law.*

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