



Gilead Sciences to Acquire Cell Design Labs

-- Demonstrates Gilead's Deep Commitment to Cell Therapy –

-- Novel Cell Engineering Technologies with the Potential to Drive Discovery and Development of New Anti-Cancer Medicines –

-- Structured Buy Out to Acquire Cell Design Labs for up to \$567 Million --

EMERYVILLE, Calif. -- Dec. 7, 2017 -- Cell Design Labs, Inc., a privately-held biotechnology company developing disruptive CAR-T and T cell receptor (TCR) therapies, announced today that Gilead Sciences (Nasdaq: GILD) has agreed to acquire Cell Design Labs in a structured buy out valued for up to \$567 million, including the shares of Cell Design Labs held by Kite.

According to Brian Atwood, President and CEO of Cell Design Labs, Inc., "Bringing our robust technology platforms under the Gilead umbrella, with its outstanding research and development capabilities and commitment to innovation, provides an exciting path forward for the development of the next generation of living therapies for patients with cancer."

"We have been working with Cell Design Labs for almost 18 months, and truly appreciate the groundbreaking nature of their technology platforms," commented David D. Chang, M.D., Ph.D., Worldwide Head of Research and Development and Chief Medical Officer at Kite. "We've already integrated THROTTLE™ Switch into our CAR-T pipeline and look forward to exploring the full depth and breadth of the technologies of Gilead, Kite and Cell Design Labs to expand the cell therapy toolbox."

"As early investors in Cell Design Labs, we recognized the incredible power and promise of the technology platforms," commented Beth Seidenberg, M.D., General Partner at Kleiner Perkins and Director of Cell Design Labs. "We believe that bringing Cell Design Labs together with Gilead provides the potential for a disruptive new wave of cell therapies for cancer."

Peter Emtage, Ph.D., Chief Scientific Officer said, "We are on the cusp of a new era in medicine where we are able to precisely instruct and guide immune cells to recognize and eliminate disease. We are pioneering two very powerful and promising technologies that we believe have the ability to change the therapeutic landscape significantly."

Since its founding in 2016, Cell Design Labs has raised \$34.4 million. Cell Design Labs' investors, led by Kleiner Perkins, also included Kite, Osage University Partners, Mission Bay Ventures, Brian Atwood, President, Chief Executive Officer and Co-Founder of Cell Design Labs, Kite founder and member of the Cell Design Labs Board of Directors, Arie Beldegrun, M.D., as well as other investors with significant experience in biopharmaceutical innovation.

Citi acted as financial advisor and Cooley LLP acted as legal advisor to Cell Design Labs in connection with the transaction.

About Cell Design Labs' Technology

The company's technology is based on foundational platforms for discovering and developing new cell-based therapeutics. These include synNotch™ receptors and THROTTLE Switch™ modules:

synNotch™ Receptors

By re-engineering the external and internal portions of the naturally occurring Notch receptor, and engineering these unique constructs into a patient's immune cells, the patient's T cells can be instructed to detect new molecular targets and to turn on new genes. In addition, further modifications of the synNotch scaffold can enable diverse sensing and response behaviors. By expressing synNotch receptors in T cells, it is possible to create a programmable immune cell. When this reprogrammed cell binds to its sole intended target (i.e., a cancer cell), it triggers one or more specific molecular activities: locally modulating tumor defense mechanisms, delivering drugs such as checkpoint inhibitors, inducing a customized cytokine profile to supercharge the immune system, or encouraging T cells to differentiate into specific subtypes to convey long-term protection against cancer recurrence. With this approach, the synNotch receptor confers extremely versatile sense-and-response functionality to T cells, which already have the ability to migrate throughout the body to find targets.

THROTTLE Switch™ Modules

The company's proprietary THROTTLE Switch technology allows CAR-T cells to be turned on and off repeatedly, enabling them to be better tolerated and more effective. This is achieved by splitting a standard CAR-T molecule construct into two separate, and inactive, molecular components and cloning these into a patient's T cell, resulting in the CAR-T cell existing in an "off" state. Only in the presence of an FDA-approved small molecule drug will the two components come together – closing the "switch" - into an active state, seeking out and eliminating cancer cells. With this type of control-switch CAR-T cells, physicians can rapidly and precisely control the activity and safety of CAR-T cells.

About Cell Design Labs, Inc.

Cell Design Labs is a biotherapeutics company pioneering breakthrough science to develop disruptive cell-based therapies. Based on innovative research from Dr. Wendell Lim's lab at UC San Francisco, Cell Design Labs leverages the power of the body's immune system to develop smart living therapies. Initially focused on cancer, including both hematologic and solid tumors, this broad technology may also have applications in other complex diseases. To learn more about Cell Design Labs, please visit our web site at: www.celldesignlabs.com.

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About Gilead Sciences

Gilead Sciences is a biopharmaceutical company that discovers, develops and commercializes innovative therapeutics in areas of unmet medical need. The company's mission is to advance the care of patients suffering from life-threatening diseases. Gilead has operations in more than 30 countries worldwide, with headquarters in Foster City, California.

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