UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended **August 31, 2017**

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _____ to _____

Commission file number: **000-54329**

ORGENESIS INC.

(Exact name of registrant as specified in its charter)

Nevada	**98-0583166**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

20271 Goldenrod Lane
Germantown, MD 20876
(Address of principal executive offices) (zip code)

(480) 659-6404
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[X]
(Do not check if a smaller reporting company)		Emerging Growth Company	[ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.[ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [X].

As of October 16, 2017, there were 121,779,252 shares of registrant's common stock outstanding.

ORGENESIS INC.
FORM 10-Q
FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2017 AND 2016

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ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ORGENESIS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(U.S. Dollars in Thousands)
(Unaudited)

	August 31, 2017	November 30, 2016
Assets		
CURRENT ASSETS:		
Cash and cash equivalents	$ 762	$ 891
Accounts receivable, net	2,106	1,229
Prepaid expenses and other receivables	1,668	779
Grants receivable	173	906
Inventory	965	400
Total current assets	5,674	4,205
NON CURRENT ASSETS:		
Property and equipment, net	5,025	4,573
Restricted cash	6	5
Intangible assets, net	15,480	15,050
Goodwill	10,683	9,584
Investments in associate, net	475	-
Other assets	79	70
Total non-current assets	31,748	29,282
TOTAL ASSETS	$ 37,422	$ 33,487

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
U.S. Dollars in Thousands)
(Unaudited)

	August 31, 2017	November 30, 2016
Liabilities and equity		
CURRENT LIABILITIES:		
Short-term bank credit	$ -	$ 21
Accounts payable	3,689	4,554
Accrued expenses and other payables	1,408	1,205
Employees and related payables	2,343	1,680
Related parties	44	42
Advance payments on account of grant	1,978	243
Short-term loans and current maturities of long term loans	376	1,111
Deferred income	4,944	1,273
Current maturities of convertible loans	2,789	2,541
Convertible bonds	-	1,818
Price protection derivative	-	76
Investments in associate, net	-	12
TOTAL CURRENT LIABILITIES	17,571	14,576
LONG-TERM LIABILITIES:		
Loans payable	3,397	3,291
Convertible loans	1,444	1,059
Warrants	873	1,843
Retirement benefits obligation	5	5
Put option derivative	273	273
Deferred taxes	2,608	1,862
TOTAL LONG-TERM LIABILITIES	8,600	8,333
TOTAL LIABILITIES	26,171	22,909
COMMITMENTS		
EQUITY:		
Common stock	12	12
Additional paid-in capital	50,518	41,605
Receipts on account of shares to be allotted	852	-
Accumulated other comprehensive loss	1,214	(1,205)
Accumulated deficit	(41,345)	(29,834)
TOTAL EQUITY	11,251	10,578
TOTAL LIABILITIES AND EQUITY	$ 37,422	$ 33,487

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(U.S. Dollars in thousands, except share and loss per share amounts)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	August 31, 2017	August 31, 2016	August 31, 2017	August 31, 2016
REVENUES	$ 2,562	$ 1,849	$ 6,712	$ 4,501
COST OF REVENUES	1,867	1,829	4,900	5,273
GROSS PROFIT (LOSS)	695	20	1,812	(772)
RESEARCH AND DEVELOPMENT EXPENSES, net	500	775	1,906	1,663
AMORTIZATION OF INTANGIBLE ASSETS	423	408	1,201	1,217
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	3,184	1,279	7,887	4,618
OPERATING LOSS	3,412	2,442	9,182	8,270
FINANCIAL EXPENSES (INCOME), net	(2,032)	574	1,488	(645)
SHARE IN LOSSES OF ASSOCIATED COMPANY	152	-	348	-
LOSS BEFORE INCOME TAXES	1,532	3,016	11,018	7,625
TAX EXPENSES (BENEFIT)	421	(372)	493	(1,313)
NET LOSS	$ 1,953	$ 2,644	$ 11,511	$ 6,312
EARNINGS (LOSS) PER SHARE:				
Basic	$ (0.02)	$ (0.02)	$ (0.10)	$ (0.06)
Diluted	$ (0.02)	$ (0.02)	$ (0.10)	$ (0.06)
WEIGHTED AVERAGE NUMBER OF SHARES USED IN COMPUTATION OF BASIC AND DILUTED EARNINGS (LOSS) PER SHARE:				
Basic	123,349,597	111,188,616	113,433,712	108,784,862
Diluted	124,625,412	111,188,616	113,746,212	108,784,862
OTHER COMPREHENSIVE LOSS:				
Net Loss	$ 1,953	$ 2,644	$ 11,511	$ 6,312
Translation adjustments	(1,430)	36	(2,419)	(1,047)
TOTAL COMPREHENSIVE LOSS	$ 523	$ 2,680	$ 9,092	$ 5,265

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(U.S. Dollars in thousands, except share amounts)
(Unaudited)

	Common Stock						
	Number	Par Value	Additional Paid-in Capital	Receipts on Account of Share to be Allotted	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at December 1, 2015	55,835,950	$ 6	$ 14,229	$ 1,251	$ (1,286)	$ (20,640)	$ (6,440)
Changes during the nine months ended August 31, 2016:							
Stock-based compensation to employees and directors			990				990
Stock-based compensation to service providers			1,148				1,148
Warrants and shares to be issued due to extinguishment of a convertible loan			114				114
Beneficial conversion feature of convertible loans			245				245
Issuances of shares from investments and conversion of convertible loans	12,844,455	1	1,948	(1,251)			698
Reclassification of redeemable common stock*	42,401,724	4	21,454				21,458
Receipts on account of shares to be allotted				887			887
Comprehensive income (loss) for the period					1,047	(6,312)	(5,265)
Balance at August 31, 2016	111,082,129	$ 11	$ 40,128	$ 887	$ (239)	$ (26,952)	$ 13,835
Balance at December 1, 2016	114,096,461	$ 12	$ 41,605	$ -,-	$ (1,205)	$ (29,834)	$ 10,578
Changes during the nine months ended August 31, 2017:							
Stock-based compensation to employees and directors			1,156				1,156
Stock-based compensation to service providers	950,000	-	1,824				1,824
Issuance of warrants and beneficial conversion feature of convertible loans			2,550				2,550
Issuance of shares and receipts on account of shares and warrants to be allotted and cancelation of contingent shares	2,936,918	-	3,383	852			4,235
Comprehensive income (loss) for the period					2,419	(11,511)	(9,092)
Balance at August 31, 2017	117,983,379	$ 12	$ 50,518	$ 852	$ 1,214	$ (41,345)	$ 11,251

*Including outstanding contingent shares.

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(U.S. Dollars in thousands)
(Unaudited)

	Nine months ended	
	August 31, 2017	August 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (11,511)	$ (6,312)
Adjustments required to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	2,817	2,085
Loss from extinguishment of a convertible loan	-	229
Share in losses of associated company	348	-
Depreciation and amortization expenses	1,874	1,987
Change in fair value of warrants and embedded derivatives	(1,276)	(1,172)
Change in fair value of convertible bonds	(157)	(115)
Interest expenses accrued on loans and convertible loans (including amortization of beneficial conversion feature)	818	494
Changes in operating assets and liabilities:		
Increase in accounts receivable	(682)	(603)
Increase in inventory	(484)	(73)
Increase in other assets	(1)	(17)
Increase in prepaid expenses and other accounts receivable	(818)	(220)
Increase (decrease) in accounts payable	(1,230)	637
Increase in accrued expenses and other payables	192	242
Increase in employee and related payables	554	523
Increase in deferred income	3,268	402
Increase in advance payments and receivables on account of grant, net	2,358	50
Increase (decrease) in deferred taxes	494	(1,314)
Net cash used in operating activities	(3,436)	(3,177)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(639)	(1,049)
Disposals of property and equipment	31	-
Investments in associate	(835)	-
Net cash used in investing activities	(1,443)	(1,049)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term line of credit	(21)	17
Proceeds from issuance of shares and warrants (net of transaction costs)	4,307	1,488
Proceeds from issuance of convertible loans (net of transaction costs)	4,932	1,258
Repayment of convertible loans and convertible bonds	(3,766)	-
Repayment of short and long-term debt	(1,102)	(2,446)
Net cash provided by financing activities	4,350	317
NET CHANGE IN CASH AND CASH EQUIVALENTS	(529)	(3,909)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	400	11
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	891	4,168
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 762	$ 270
SUPPLEMENTAL NON-CASH FINANCING ACTIVITIES		
Conversion of loans and bonds (including accrued interest) to common stock and warrants	$ 106	$ 1,028
Reclassification of redeemable common stock to equity		$ 21,458

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTE 1 - GENERAL AND BASIS OF PRESENTATION

Orgenesis Inc., a Nevada corporation, is a biopharmaceutical company with expertise and experience in cell therapy development and manufacturing specializing in cell therapy development for advanced medicinal products serving the regenerative medicine industry.

In addition, the Company is developing a novel and proprietary cell therapy trans-differentiation technologies for the treatment of diabetes. The cell therapy technology is based on the research work of Prof. Sarah Ferber, the Company's Chief Science Officer and a researcher at Tel Hashomer Medical Research ("THM"), a leading medical hospital and research center in Israel, who established a proof of concept that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and transdifferentiating (converting) them into "pancreatic beta cell-like" insulin-producing cells.

The combination of proprietary cell therapy trans-differentiation technologies for the treatment of diabetes and a revenue-generating contract development and manufacturing service business provides the Company with unique capabilities.

As used in this report and unless otherwise indicated, the term "Company" refers to Orgenesis Inc. and its subsidiaries ("Subsidiaries"). Unless otherwise specified, all amounts are expressed in United States dollars.

Basis of Presentation

These unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. GAAP, pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial statements. Accordingly, they do not contain all information and notes required by U.S. GAAP for annual financial statements. In the opinion of management, the unaudited condensed consolidated interim financial statements reflect all adjustments, which include normal recurring adjustments, necessary for a fair statement of the Company's consolidated financial position as of August 31, 2017, and the consolidated statements of comprehensive loss for the three and nine months ended August 31, 2017 and 2016, and the changes in equity and cash flows for the nine months period ended August 31, 2017 and 2016. The interim results, are not necessarily indicative of the results to be expected for the year ending November 30, 2017. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended November 30, 2016.

Going Concern

The accompanying condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As of August 31, 2017, the Company, had accumulated losses of approximately $41 million and expects to incur further losses in the development of its business. Presently, the Company does not have sufficient cash to meet its requirements in the following twelve months. These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to obtain additional financing as may be required and ultimately to attain profitability. In the event that the remaining subscription proceeds from a private placement with an institutional investor referred to below, in the aggregate amount of $12 million (out of total committed amount $16 million) will not be paid periodically through August 2018, then the Company will need to raise significant funds in order to continue to meet its liquidity needs, realize its business plan and maintain operations. The Company's current cash balance is not sufficient to support its operations as presently conducted or permit it to take advantage of business opportunities that may arise. Management of the Company is continuing its efforts to generate sustainable profits from its CDMO business and to secure funds through equity and/or debt instruments for its operations and business opportunities investments.

The condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. There can be no assurance that management will be successful in implementing its business plan or that the successful implementation of its business plan will actually improve the Company's operating results. If the Company is unable to raise the necessary capital, the Company may have to cease curtail or reduce operations.

The Company has been funding its operations primarily from the proceeds from private placements of the Company's convertible debt and equity securities and from revenues generated by MaSTherCell. From December 2016 through August 2017, the Company received, through MaSTherCell, proceeds of approximately $6.1 million in revenues and accounts receivable from customers and $9 million from the private placement to accredited investors of its equity and equity linked securities and convertible loans, out of which $3.5 are million from the institutional investor definitive agreements in January 2017 for the private placement of units of the Company's securities for aggregate subscription proceeds to the Company of $16 million. The subscription proceeds are payable on a periodic basis through August 2018. In addition, from September 1, 2017 through October 16, 2017, the Company raised an additional $1.1 million from the proceeds of the private placement to certain accredited investors of its equity and equity linked securities and Company received, through MaSTherCell, proceeds of approximately $1 million in accounts receivable from its customers.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

NOTE 3 - SEGMENT INFORMATION

The Chief Executive Officer ("CEO") is the Company's chief operating decision-maker ("CODM").

Based on the Company's organizational structure, its business activities and information reviewed by the CODM for the purposes of allocating resources and assessing performance, management has determined that there are two operating segments.

CDMO

The CDMO activity is comprised of a specialization in cell therapy development for advanced therapeutic products and is comprised of two types of services to its customers: (i) process and assay development services and (ii) cGMP contract manufacturing services. The CDMO activities include the operations of MaSTherCell.

CTB

The Cellular Therapy Business ("CTB") activity is based on the technology licensed by the Israeli Subsidiary, that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and differentiating (converting) them into "pancreatic beta cell-like" insulin producing cells for patients with Type 1 Diabetes.

The Company assesses the performance based on a measure of "Adjusted EBIT" (earnings before financial expenses and tax, and excluding share-based compensation expenses and non-recurring income or expenses). The measure of assets has not been disclosed for each segment.

Segment data for the nine months ended August 31, 2017 is as follows:

	CDMO	CTB	Corporate and Eliminations	Consolidated
		(in thousands)		
Revenues from external customers	$ 7,705		(993)	$ 6,712
Cost of revenues	(4,358)		403	(3,955)
Research and development expenses, net		(1,932)	590	(1,342)
Operating expenses	(916)	(6,060)		(6,976)
Depreciation and amortization expenses	(2,145)	(7)		(2,152)
Segment Performance	$ 286	(8,000)	-	(7,714)
Stock-based compensation			(2,817)	(2,817)
Financial expenses, net*			(139)	(139)
Share in losses of associated company			(348)	(348)
Loss before income taxes				(11,018)

* Excluding $1,389 thousand stock based compensation included in financial expenses.

Segment data for the nine months ended August 31, 2016 is as follows:

	CDMO	CTB	Corporate and Eliminations	Consolidated
		(in thousands)		
Net revenues from external customers	$ 4,826	$	$ (325)	$ 4,501
Cost of revenues	(4,968)		463	(4,505)
Research and development expenses, net		(1,239)	(138)	(1,377)
Operating expenses	(1,518)	(1,299)		(2,817)
Depreciation and amortization expense	(1,984)	(3)		(1,987)
Segment Performance	$ (3,644)	$ (2,541)	-	(6,185)
Share-based compensation			(2,085)	(2,085)
Financial income, net			645	645
Loss before income taxes				$ (7,625)

Segment data for the three months ended August 31, 2017 is as follows:

	CDMO	CTB	Corporate and Eliminations	Consolidated
		(in thousands)		
Net revenues from external customers	$ 2,956		(394)	2,562
Cost of revenues	(1,439)		95	(1,344)
Research and development expenses, net		(688)	299	(389)
Operating expenses	(1,641)	(1,272)		(2,913)
Depreciation and amortization expense	(945)	-		(945)
Segment Performance	$ (1,069)	(1,960)	-	(3,029)
Share-based compensation			(108)	(108)
Financial income, net*			1,757	1,757
Share in losses of associated company			(152)	(152)
Loss before income taxes				1,532

* Excluding $275 thousand stock based compensation included in financial income.

Segment data for the three months ended August 31, 2016 is as follows:

	CDMO	CTB	Corporate and Eliminations	Consolidated
		(in thousands)		
Revenues from external customers	$ 1,852	$	$ (3)	$ 1,849
Cost of revenues	(1,748)		164	(1,584)
Research and development expenses, net		(565)	(161)	(726)
Operating expenses	(453)	(448)		(901)
Depreciation and amortization expense	(651)	(1)		(652)
Segment Performance	$ (1,000)	$ (1,014)	-	(2,014)
Share-based compensation			(428)	(428)
Financial income (expenses), net			(574)	(574)
Loss before income taxes				$ (3,016)

Geographic, Product and Customer Information

Substantially all the Company's revenues and long-lived assets are located in Belgium through its controlled subsidiary MaSTherCell. Manufacturing activities show a significant increase of revenues in line with the company Business Plan. It reflects market recognition in CDMO business expertise and the adequacy of the Company strategy.

Revenues from single customers from the CDMO segment that exceed 10% of total net revenues are:

	Three Months Ended		Nine Months Ended	
	August 31, 2017	August 31, 2016	August 31, 2017	August 31, 2016
		(in thousands)		
Customer A	$ 852	$ 1,031	$ 2,813	$ 2,626
Customer B	-	291	-	1,163
Customer C	809		1,904	
Customer D	$ 679	$	$ 1,637	$

CDMO business has substantially diversified revenues by source signing contracts with leading Biotech companies in their respective cell-based therapy field and strengthened its revenue base over the last three quarters. In January 2017, MaSTherCell entered into a service agreement with Les Laboratoires Servier (“Servier”) for the development of its CAR-T cell therapy manufacturing platform and in June 2017, MaSTherCell entered into a service agreement with CRISPR Therapeutics AG (“CRISPR”) for the development and manufacturing of allogeneic cell therapies.

NOTE 4 – CONVERTIBLE LOAN AGREEMENTS

(a) On January 12, 2017, the Company repaid the outstanding principal amount and accrued interest in the amount of $51 thousand on convertible loans that were issued during September 2016. The transaction had no material impact on the comprehensive loss for the period.

(b) During the nine months ended August 31, 2017, the Company entered into several unsecured convertible note agreements with accredited or offshore investors for an aggregate amount of $3.95 million. The loans bear an annual interest rate of 6% and mature in two years from the date of issuance, unless converted earlier.

The notes provide that the entire principal amount under the notes and accrued interest automatically convert into units as in the agreement upon the earlier to occur of any of the following: (i) the closing of an offering of equity securities of the Company with gross proceeds to the Company greater than $10 million (ii) the trading of the Company's common stock, par value $0.0001 per share (the "Common Stock") on the over-the counter market or an exchange at a weighted average price of at least $0.52 (adjusted for certain capital events such as stock splits) for fifty (50) consecutive trading days, or (iii) the listing of the Company's Common Stock on a U.S. National Exchange.

Since the closing price of the Company's publicly traded stock is greater than the effective conversion price on the closing date, the conversion feature is considered "beneficial" to the holders and equal to $2.24 million. The difference is treated as issued equity and reduces the carrying value of the host debt; the discount is accreted as deemed interest on the debt.

The transaction costs were approximately $405 thousand, out of which $129 thousand was the fair value of warrants for the purchase of 434,436 shares of Common Stock granted to three holders as a success fee, exercisable at $0.52 per share for three years. The fair value of those warrants as of the date of grant was evaluated using the Black-Scholes valuation model.

(c) During the nine months ended August 31, 2017, the Company entered into several unsecured convertible note agreements with accredited or offshore investors for an aggregate amount of $0.8 million. The notes have 0% or 6% interest rate and are scheduled to mature between nine months and one year unless converted earlier. At any time, all or a portion of the outstanding principal amount and accrued but unpaid interest thereon may be converted at the Holder's option into shares of the Company common stock at a price of $0.52 per share. The Company also issued to the investors three-year warrants to purchase up to 1,746,063 shares of the Company's Common Stock at a per share exercise price of $0.52.

Since the closing price of the Company's publicly traded stock is greater than the effective conversion price on the measurement date, the conversion feature is considered "beneficial" to the holders and equal to $81 thousand. The difference is treated as issued equity and reduces the carrying value of the host debt; the discount is accreted as deemed interest on the debt.

(d) On January 23, 2017, the Company and a Non-U.S. institutional investor, entered into an agreement pursuant to which the investor advanced to the Company $400,000 at per annum rate of 6% and with a maturity date of April 23, 2017.

The transaction costs were approximately $71 thousand, out of which $35 thousand as stock based compensation due to issuance of 76,923 warrants and 32,051 shares. The fair value of those warrants as of the date of grant was evaluated by using the Black-Scholes valuation model.

The principal amount and accrued interest were repaid by the Company on March 7, 2017 and, in accordance with the terms of the agreement, the Company issued to the investor 650,000 restricted shares of the Company's Common Stock. The fair value of the shares as of March 7, 2017, was $494 thousand and was recorded as financial expenses.

(e) In January 2017 MaSTherCell repaid all but one of its bondholders (originally issued on September 14, 2014), and the aggregate payment amounted to $1.7 million (€1.5 million). On January 17, 2017, the remaining bondholder agreed to extend the duration of his Convertible bond until March 21, 2017. In consideration for the extension, the Company issued to the bondholder warrants to purchase 102,822 shares of the Company's Common Stock, exercisable over a three-year period at a per share exercise price of $0.52. The fair value of those warrants as of the date of grant was $20 thousand using the Black-Scholes valuation model.

On March 20, 2017, the remaining bondholder agreed to convert his convertible bonds into 488,182 shares of the Company's Common Stock.

The Company returned to treasury from the escrow arrangement entered into in March 2015 in connection with the MaSTherCell acquisition a total of 3,157,716 consideration, in accordance with the terms of the MaSTherCell acquisition agreement. These shares have been retired and cancelled.

(f) On February 27, 2017, the Company and Admiral Ventures Inc. ("Admiral") entered into an agreement resolving the payment of amounts owed to Admiral. Under the terms of the settlement agreement, Admiral extended the maturity date to June 30, 2018. The Company agreed to pay to Admiral, on or before March 1, 2017, between $0.3 million and $1.5 million. Further, beginning April 2017, the Company agreed to make a monthly payment of $125 thousand on account of remaining unpaid balance, and also agreed to remit 25% of all amounts received from equity financing raised above $1 million and 20% of such amounts above $500 thousand on account of amounts owed. The Company accounted for the above changes as a modification of the old debt.

On March 1 and July 17, 2017, the Company repaid $1.5 million and $125 thousand on account of the principal amount of the loan and accrued interest, respectively. As of August 31, 2017, the Company was in arrears in its payment obligations under such agreement. See also Note 10(c).

NOTE 5 – COMMITMENTS

Grants

In April 2016, the Belgian Subsidiary received the formal approval from the Walloon Region, Belgium (Service Public of Wallonia, DGO6) ("DGO6") for a budgeted €1.3 million ($1.5 million) support program for CTB activity. The financial support is awarded to the Belgian subsidiary Orgenesis as a recoverable advance payment at 55% of budgeted costs, or for a total of €0.7 million thousand ($0.8 million). The grant will be paid over the project period. On December 19, 2016, the Belgian Subsidiary received a first payment of €359 thousand ($374 thousand).

On October 8, 2016, the Belgian subsidiary received the formal approval from the DGO6 for an additional budget of €12.3 million ($12.8 million) support program for the GMP production of AIP cells for two clinical trials that will be performed in Germany and Belgium. The project will be held during a period of three years commencing January 1, 2017. The financial support is awarded to the Belgium subsidiary at 55% of budgeted costs, a total of €6.8 million ($7 million). The grant will be paid over the project period. On December 19, 2016, the Belgian Subsidiary received a first payment of €1.7 million ($1.8 million).

NOTE 6 – EQUITY

Financings

1) During the nine months ended August 31, 2017, the Company entered into definitive agreements with accredited and other qualified investors relating to a private placement (the "Private Placement") of (i) 1,286,944 shares of the Company's Common Stock and (ii) three year warrants to purchase up to an additional 1,286,944 shares of the Company's Common Stock at a per share exercise price of $0.52 and $0.65 respectively. The purchased securities were issued pursuant to subscription agreements between the Company and the purchasers for aggregate proceeds to the Company of $699 thousand.

The Company allocated the proceeds from the Private Placement based on the fair value of the warrants and the shares. The table below presents the fair value of the instruments issued as of the closing dates and the allocation of the proceeds:

	Total Fair Value
	(in thousands)
Warrants component	$ 251
Shares component	448
Total	$ 699

2) In January 2017, the Company entered into definitive agreements with an institutional investor for the private placement of 30,769,231 units of the Company's securities for aggregate subscription proceeds to the Company of $16 million at $0.52 price per unit. Each unit is comprised of one share of the Company's Common Stock and a warrant, exercisable over a three-years period from the date of issuance, to purchase one additional share of Common Stock at a per share exercise price of $0.52. The subscription proceeds are payable on a periodic basis through August 2018. Each periodic payment of subscription proceeds will be evidenced by the Company's standard securities subscription agreement.

During the nine months ended August 31, 2017 the investor remitted to the Company $3.5 million, in consideration of which, the investor is entitled to 6,730,767 shares of the Company's Common Stock and three-year warrants to purchase up to an additional 6,730,767 shares of the Company's Common Stock at a per share exercise price of $0.52 The Company allocated the proceeds based on the fair value of the warrants and the shares. The table below presents the allocation of the proceeds as of the closing date:

	Total Fair Value
	(in thousands)
Warrants component	$ 1,207
Shares component	2,293
Total	$ 3,500

As of August 31, 2017, 1,923,076 shares have not been issued therefore the Company recorded $624 thousand net of transaction costs in Receipts on Account of Shares to be Allotted.

In connection therewith, the Company undertook to pay a fee of 5%, resulting in the payment of $175 thousand and the issuance of 336,538 restricted shares of Common Stock. The fair value of the shares as of the date of grant was $145 thousand using the share price on the date of grant.

NOTE 7 – STOCK BASED COMPENSATION

a. Options Granted to Employees and Directors

On December 9, 2016, the Company granted to the employees and directors 7,300,000 options and on and June 1, 2017, the Company granted to the Chief Executive Officer 1,000,000 options, which are summarized on the table below:

	No. of options granted	Exercise price	Vesting period	Fair value at grant (in thousands)	Expiration period
Directors	2,000,000	$0.4	Quarterly vested over 2 years vest immediately-	$558	10 years
Employees	5,300,000	$0.4	Quarterly vested over 4 years	$1,480	10 years
Chief Executive Officer	1,000,000	$0.6	Semi Annually vested over one year	$435	10 years

The fair value of each stock option grant is estimated at the date of grant using a Black Scholes option pricing model. The volatility is based on historical volatility of the Company, by statistical analysis of the weekly share price for the last two years. The expected term is the mid-point between the vesting date and the maximum contractual term for each grant equal to the contractual life. The fair value of each option grant is based on the following assumptions:

	December 9, 2016	June 1, 2017
Value of one common share	$0.39	$0.62
Dividend yield	0%	0%
Expected stock price volatility	94%	95%
Risk free interest rate	1.89%	1.76%
Expected term (years)	5	5

b. Options and Warrants Granted to a Consultants

On December 9, 2016, the Company entered into a consulting agreements for the provision of professional services for a period of one year. Under the terms of the agreement, the Company granted to a consultants 200,000 options exercisable at $0.40 per share. The options are to vest quarterly over a period of one year. The fair value of those options as of the date of grant was $68 thousand using the Black-Scholes valuation model.

NOTE 8 – LOSS PER SHARE

The following table sets forth the calculation of basic and diluted loss per share for the period indicated:

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2017	**2016**	**2017**	**2016**
	(in thousands, except per share data)			
Basic:				
Loss for the period	$ 1,953	$ 2,644	$ 11,511	$ 6,312
Weighted average number of common shares outstanding	123,349,597	111,188,616	113,725,909	108,784,862
Loss per common share	$ 0.02	$ 0.02	$ 0.10	$ 0.06
Diluted:				
Loss for the period	$ 1,953	$ 2,644	$ 11,511	$ 6,312
Changes in fair value of embedded derivative and interest expense on convertible loans	238		137	87
Loss for the period	$ 2,191	$ 2,644	$ 11,648	$ 6,399
Weighted average number of shares used in the computation of basic and diluted loss per share	123,349,597	111,188,616	113,725,909	108,704,862
Number of dilutive shares related to convertible loans	1,275,815		312,500	
Weighted average number of common shares outstanding	124,625,412	111,188,616	114,038,409	108,704,862
Loss per common share	$ 0.02	$ 0.02	$ 0.10	$ 0.06

Diluted loss per share does not include 52,510,273 shares underlying outstanding options and warrants and 29,551,172 shares upon conversion of convertible notes for the three and nine months ended August 31, 2017, because the effect of their inclusion in the computation would be anti-dilutive.

Diluted loss per share does not include 16,954,564 shares underlying outstanding options, 20,971,190 shares issuable upon exercise of warrants, 800,000 shares due to stock-based compensation to service providers and

7,365,719 shares upon conversion of convertible notes for the nine and three months ended August 31, 2016, because the effect of their inclusion in the computation would be anti-dilutive.

NOTE 9 - FAIR VALUE PRESENTATION

The Company measures fair value and discloses fair value measurements for financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standard establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs that are based on inputs not quoted on active markets, but corroborated by market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs, to the extent possible, and considers credit risk in its assessment of fair value.

As of August 31, 2017, and November 30, 2016, the Company's liabilities that are measured at fair value and classified as level 3 fair value are as follows (in thousands):

	August 31, 2017	**November 30, 2016**
	Level 3	Level 3
Warrants (1)	$ 873	$ 1,843
Price protection derivative (1)	-	76
Embedded derivatives convertible loans*(1)	20	240
Put option derivatives	273	273
Convertible bonds (2)	$ -	$ 1,818

* The embedded derivative is presented in the Company's balance sheets on a combined basis with the related host contract (the convertible loans).

(1) The fair value of the warrants, price protection derivative and embedded derivatives is determined by using a Monte Carlo Simulation Model. This model, in contrast to a closed form model, such as the Black-Scholes Model, enables the Company to take into consideration the conversion price changes over the conversion period of the loan, and therefore is more appropriate in this case.

(2) The fair value of the convertible bonds described in Note 7 of the Annual Report is determined by using a binomial model for the valuation of the embedded derivative and the fair value of the bond was calculated based on the effective rate on the valuation date (6%). The binomial model used the forecast of the Company share price during the convertible bond's contractual term. Since the convertible bond is in Euro and the model is in USD, the Company has used the Euro/USD forward rates for each period. In order to solve for the embedded derivative fair value, the calculation was performed as follows:

- Stage A - The model calculates several potential future share prices of the Company based on the volatility and risk-free interest rate assumptions.

- Stage B - the embedded derivative value is calculated "backwards" in a way that considers the maximum value between holding the bonds until maturity or converting the bonds.

As of August 31, 2017, the convertible bonds have been repaid or converted see Note 4(e).

The following table presents the assumptions that were used for the models as of August 31, 2017:

	Warrants	Embedded Derivative
Fair value of shares of Common Stock	$ 0.32	$ 0.32
Expected volatility	92%	82%
Discount on lack of marketability	13%	-
Risk free interest rate	1.25%-1.31%	0.95%-1.03%
Expected term (years)	1.2-1.8	0.08-0.33
Expected dividend yield	0%	0%
Expected capital raise dates	October 31, 2017	-

The fair value of the convertible bonds is equal to their principal amount and the aggregate accrued interest.

The table below sets forth a summary of the changes in the fair value of the Company's financial liabilities classified as Level 3 for the nine months ended August 31, 2017:

	Warrants	Embedded Derivatives	Convertible Bonds	Price Protection Derivative	Put Option Derivative
			(in thousands)		
Balance at beginning of the year	$ 1,843	$ 240	$ 1,818	$ 76	$ 273
Changes in fair value during the period	(970)	635	22	(76)	
Repayment and conversion of convertible bonds and convertible loan		(855)	(1,827)		
Translation adjustments			(13)		
Balance at end of the period	$ 873	$ 20	$ -	$ -	$ 273

There were no transfers to Level 3 during the nine months ended August 31, 2017.

The table below sets forth a summary of the changes in the fair value of the Company's financial liabilities classified as Level 3 for the year ended November 30, 2016:

	Warrants	Embedded Derivatives	Convertible Bonds	Price Protection Derivative	Put Option Derivative
		(in thousands)			
Balance at beginning of the year	$ 1,382	$ 289	$ 1,888	$ 1,533	$
Additions	802	40		120	273
Conversion		(10)			
Changes in fair value related to Price Protection Derivative expired*				(108)	
Changes in fair value during the period	(341)	(87)	(84)	(1,469)	
Changes in fair value due to extinguishment of convertible loan		8			
Translation adjustments			14		
Balance at end of the year	$ 1,843	$ 240	$ 1,818	$ 76	$ 273

(*) During the twelve months ended November 30, 2016, 11,732,916 Price Protection Derivative have expired.

There were no transfers to Level 3 during the twelve months ended November 30, 2016.

NOTE 10 - SUBSEQUENT EVENTS

a. During September 2017, the Company entered into unsecured convertible note agreements with accredited or offshore investors for an aggregate amount of $0.6 million. The notes bear an annual interest rate of 6% and mature in two years from the closing date, unless earlier converted subject to the terms defined in the agreements. The notes provide that the entire principal amount under the notes and accrued interest automatically convert into units as in the agreement upon the earlier to occur of any of the following: (i) the closing of an offering of equity securities of the Company with gross proceeds to the Company greater than $10 million (ii) the trading of the Company's common stock, par value $0.0001 per share (the "Common Stock") on the over-the counter market or an exchange at a weighted average price of at least $0.52 (adjusted for certain capital events such as stock splits) for fifty (50) consecutive trading days, or (iii) the listing of the Company's Common Stock on a U.S. National Exchange.

b. In October 2017, the institutional investor referred to in Note 6b, remitted to the Company $0.5 million in subscription proceeds entitling such investor to 961,538 shares of Common Stock and three-year warrants for an additional 961,538 shares. As of October 16, 2017, the Company has received a total of $4 million out of the committed $16 million subscription proceeds.

c. On September 29, 2017, the Company paid to Admiral $125 thousand on account of the debt owed.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This Form 10-Q and other reports filed by the Company from time to time with the U.S. Securities and Exchange Commission (collectively, the "Filings") contain or may contain forward-looking statements and information that are based upon beliefs of, and information currently available to, the Company's management as well as estimates and assumptions made by Company's management. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. When used in the Filings, the words "anticipate," "believe," "estimate," "expect," "future," "intend," "plan," or the negative of these terms and similar expressions as they relate to the Company or the Company's management identify forward-looking statements. Such statements reflect the current view of the Company with respect to future events and are subject to risks, uncertainties, assumptions, and other factors, including the risks relating to the Company's business, industry, and the Company's operations and results of operations. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended, or planned.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance, or achievements. Except as required by applicable law, including the securities laws of the United States, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Our financial statements would be affected to the extent there are material differences between these estimates and actual results. The following discussion should be read in conjunction with our financial statements and notes thereto appearing elsewhere in this report.

Corporate Overview

Orgenesis Inc. is among the first of a new breed of regenerative therapy companies with expertise and unique experience in cell therapy development and manufacturing for advanced medicinal products serving the regenerative medicine industry. In addition, we are focused on developing a novel and proprietary cell therapy trans-differentiation technologies for the treatment of diabetes with a revenue generating contract development and manufacturing service business to serve the regenerative medicine industry. Our vertically integrated manufacturing capabilities are being used to serve to emerging technologies of other cell therapy markets in such areas as cell-based cancer immunotherapies and neurodegenerative diseases and also to optimize our abilities to scale-up our technologies for clinical trials and eventual commercialization of our proposed diabetes treatment. The combination of our own proprietary cell therapy trans-differentiation technologies for the treatment of diabetes and a revenue-generating contract development and manufacturing service business provides us with unique capabilities and supports our business philosophy of bringing to market significant life-improving medical treatments.

We seek to differentiate our company from other cell therapy companies by our wholly-owned, Belgian-based CDMO subsidiary, MaSTherCell S.A., and a world-wide network of partners who have built a unique and fundamental base platform of know-how and expertise for a multitude of cell types manufacturing. The goal is to industrialize cell therapy for fast, safe and cost-effective production in order to provide rapid therapies for any market around the world. All these services are already compliant with GMP requirements, ensuring identity, purity, stability, potency and robustness of cell therapy products for clinical phase I, II, III through commercialization. The goal is to become the premier service provider in the regenerative medicine industry by leveraging the experience and expertise of MaSTherCell as a recognized leader in cell therapy development and manufacturing.

MaSTherCell is developing premier technologies for other cell therapy companies such as cell-based cancer immunotherapies and neoconservative diseases. Our vertical integration responds to the main challenges faced by most biotechnology companies such as cost of goods sold and logistics. Our global manufacturing network is envisioned as offering a global one-stop-shop manufacturing and logistics services and breakthrough technologies enabling promising therapies to more rapidly reach the market at a fraction of the costs.

MaSTherCell currently operates facilities qualified under cGMPs in Belgium. We acquired MaSTherCell in March 2015. As the industry continues to mature and a growing number of cell therapy companies approach commercialization, we believe that MaSTherCell is well positioned to serve as an outsourcing manufacturing source for cell therapy companies.

We are leveraging the recognized expertise and experience in cell process development and manufacturing of MaSTherCell, and our international global network of CDMO joint ventures, to build a global and fully integrated bio-pharmaceutical company in the cell therapy development and manufacturing area. We target the international manufacturing market as a key priority through joint-venture agreements that provide development capabilities, along with manufacturing facilities and experienced staff.

Our cell therapy technology for diabetes is based on the research work of Prof. Sarah Ferber, our Chief Science Officer and a researcher at Tel Hashomer Medical Center, a leading medical hospital and research center in Israel ("THM"), who established a proof of concept that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and transdifferentiating (converting) them into "pancreatic beta cell-like" insulin-producing cells. Furthermore, those cells were found to be resistant to autoimmune attack and to produce insulin in a glucose-sensitive manner in relevant animal models. Our development for our cellular therapy business (CTB), which is conducted through our Israeli subsidiary, calls for conducting additional preclinical safety and efficacy studies with respect to diabetes and other potential indications.

Significant Recent Corporate Highlights

Management continues in its efforts to raise operating capital. In connection therewith, in January 2017 we entered into definitive agreements with an institutional investor for the private placement of units of our securities for aggregate subscription proceeds to us of $16 million. The subscription proceeds are payable on a periodic basis through August 2018. Each periodic payment of subscription proceeds will be evidenced by our standard securities subscription agreement. As of the date of this quarterly report on Form 10-Q, the investor has remitted to us $4 million in subscription proceeds. Each unit is comprised of one share of our common stock and a warrant to purchase an additional share of common stock at a per share exercise price of $0.52. Pursuant to the investment, the investor designated a director to serve on our board of directors for an initial two-year period and thereafter so long as the investor holds at least 10% of the Company's outstanding Common Stock. The investor's right to designate the board designee is subject to the payment in full as provided in the definitive agreements of the remaining subscription proceeds.

In January 2017, Servier appointed MaSTherCell for the development of its CAR-T cell therapy manufacturing platform. Under the master service agreement, MaSTherCell is developing a CAR-T cell therapy manufacturing platform, which will enable industrial and commercial manufacturing of Servier cell therapy products. This is a critical step in development of these products for later stage clinical trial. Servier selected MaSTherCell because of its leading global cell therapy CDMO position as well as its essential broad expertise in immunotherapy products. MaSTherCell has a track record of designing and delivering cost-effective cell therapy manufacturing platforms. MaSTherCell anticipates that it will complete the development of the initial CAR-T platform in 2018.

In May 2017, we improved the equity-debt ratio of our subsidiary MaSTherCell by converting the loan advanced to it in the amount of $1.1 million (EUR 1 million) into share capital of MaSTherCell.

In June 2017, CRISPR, a leader in gene-editing based therapeutics, and MaSTherCell signed a service agreement for the development and manufacturing of allogeneic CART-T cell therapies.

In September 2017, we fulfilled our obligation under the joint venture agreement with Atvio dated May 10, 2016, and remitted the balance of $54 thousand of the convertible loan in the aggregate amount of $1 million.

As further discussed below, our subsidiary MaSTherCell S.A., had revenues of approximately $6.7 million during the nine months ended August 31, 2017 representing an increase of 49% over the same period last year.

While we believe, the above developments position us to further our business development efforts and realize our business plan, we can provide no assurance that we will be successful in achieving our business plan.

Results of Operations

Comparison of the Three and Nine Months Ended August 31, 2017 to the Three and Nine Months Ended August 31, 2016

Our financial results for the three and nine months ended August 31, 2017 are summarized as follows in comparison to the three and nine months ended August 31, 2016:

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2017	2016	2017	2016
	(in thousands)			
Revenues	$ 2,562	$ 1,849	$ 6,712	$ 4,501
Cost of revenues	1,867	1,829	4,900	5,273
Research and development expenses, net	500	775	1,906	1,663
Amortization of intangible assets	423	408	1,201	1,217
Selling, general and administrative expenses	3,184	1,279	7,887	4,618
Financial expenses (income), net	(2,032)	574	1,488	(645)
Share in losses of associated company	152	-	348	-
Loss before income taxes	$ 1,532	$ 3,016	$ 11,018	$ 7,625

Revenues

All revenues were derived from our Belgian Subsidiary, MaSTherCell S.A. Manufacturing activities show a significant increase of revenues in line with the company's Business Plan. It reflects market recognition in CDMO business expertise and the adequacy of the Company's strategy with industry need. Revenues diversification by source in the CDMO segment together with a leading position in CAR-T cell therapy development and manufacturing strengthen MaSTherCell resilience.

Our revenues for the three and nine months ended August 31, 2017 were $2,562 thousand and $6,712 thousand, respectively, as compared to $1,849 thousand and $4,501 thousand for the corresponding periods in 2016, representing an increase of 39% and 49% respectively, compared to the same period last year.

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2017	2016	2017	2016
	(in thousands)		(in thousands)	
Services	$ 2,015	$ 1,086	$ 5,600	$ 2,430
Goods	547	763	1,112	2,071
Total revenues	$ 2,562	$ 1,849	$ 6,712	$ 4,501

The increase in revenues for each of the three and nine months ended August 31,2017 is attributable to an increase in the volume of the services provided by MaSTherCell resulting from the extension by MaSTherCell of existing customer service contracts and the entry into new customer service contracts with leading biotech companies as well as from revenues generated from existing manufacturing agreements.

Expenses

Cost of Revenues

Cost of revenues for the three and nine months ended August 31, 2017 were $1,867 thousand and $4,900 thousand, respectively, as compared to $1,829 thousand and $5,237 thousand, respectively, during the same periods in 2016, representing an increase and decrease of 2% and 7%, respectively. The decrease in cost of revenues for the nine months period in 2017 as compared to the corresponding period in 2016 is primarily attributable to a decrease (i) in salaries and related expenses associated with an internal transformation program implemented in MaSTherCell in the second quarter to evolve from an organization based on project to a matrix organization supported by transversal departments focusing on value creation. As part of the program we changed the business positions of certain employees from laboratory managers to general manager positions in order to reflect the current period's business activity.

Research and Development Expenses

Research and Development Expenses for the three and nine months ended August 31, 2017 were $500 thousand and $1,906 thousand, respectively, as compared to $775 thousand and $1,663 thousand, respectively, for the same periods in 2016, representing a decrease of 35% and increase of 15%, respectively. The increase in research and development expenses in the nine months period in 2017 is primarily attributable to an increase in laboratory expenses resulting from an increase in our pre-clinical studies in the U.S., Israel and Belgium. The increase in Research and Development expenses is a reflection of management's determination to move transdifferentiating technology with first indication to Diabetes Type I to the next the stage towards clinical studies.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three and nine months ended August 31, 2017 were $3,184 thousand and $7,887 thousand, respectively, as compared to $1,279 and $4,618 thousand, respectively, for the same periods in 2016, representing an increase of 149% and 71% respectively. The increase in selling, general and administrative expenses in each of three and nine month 2017 periods is primarily attributable in the following:

1. Stock based compensation: (i) an increase in non-cash stock based compensation resulting from grants of options to employees during December 2016 offset by decrease in stock based compensation in the 2017 periods attributable to the termination of the vesting period of options and shares awarded to executives and consultants in 2016.
2. Corporate governance, reflecting our commitment to remediate to material weaknesses, an increase in (i) salaries and related expenses resulting from the retention of new senior management at MaSTherCell and new accounting staff in our financial department in Israel and (ii) professional fees resulting from the appointment of a qualified independent third party to assess our risk management framework to manage enterprise risk and (iii) accounting and legal expenses associated with exploring new strategic collaboration arrangements, new capital raising initiatives, repayment of bonds issued by MaSTherCell and preparation of applications for new patents under our CTB division.
3. CTB intellectual property: legal expenses associated with the preparation of applications for new patents under our CTB division.
4. Setting-up a global CDMO network : (i) expenses related to a joint venture which primarily consisted of salary expenses and set up related cost of the new production facility in Korea under our joint venture with CureCell.
5. Legal expenses associated with exploring new strategic collaboration arrangements, new capital raising initiatives.

The expenses incurred in Item (2) above [Corporate Governance] reflects our commitment to address material weaknesses in our internal controls. Our expenses under Item 4 above [Setting up a Global CDMO Network] reflects our mission to build a global fully integrated bio-pharmaceutical company in the cell therapy development and manufacturing area. We target the international manufacturing market as a key priority through joint-venture agreements that provide development capabilities, along with manufacturing facilities and experienced staff, offering a unique response to industry challenges;

We apply a strict monitoring of the selling, general and administrative expenses and has implemented a shared services program in corporate functions to benefit from intra-group cost reduction and synergies.

Financial Expenses (Income), net

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2017	2016	2017	2016
	(in thousands)		(in thousands)	
Increase (decrease) in fair value of warrants and financial liabilities measured at fair value	$ (2,349)	$ 555	$ (1,343)	$ (1,057)
Stock-based compensation related to warrants granted to bondholder and shares and units granted to creditor	(273)	-	1,351	-
Interest expense on loans and convertible loans	300	75	987	339
Foreign exchange loss, net	289	(111)	481	(75)
Other expenses	1	55	12	148
Total	$ (2,032)	$ 574	$ 1,488	$ (645)

Financial expenses (income), net for the three months ended August 31, 2017, decreased by 454% or $2,606 thousand, compared to the same period in 2016. The decrease in financial expenses is mainly attributable to a decrease of $2.9 million in the change of the fair value of warrants due to the fact that, in the three months ended August 31, 2017, there was a strong impact of the decrease in the share price, which was $0.32 on August 31, 2017, as opposed to $0.59 on May 31, 2017.

Financial expenses (income), net for the nine months ended August 31, 2017, increased by 331% or $2,133 thousand, compared to the same period in 2016. The increase in financial expenses is mainly attributable to an increase of $1.32 million in the Stock-based compensation related attributable to $20 thousand of stock-based compensation expenses related to 102,822 warrants granted to the remaining bondholder in consideration of the extension of his bonds and $1.3 million of stock-based compensation expenses related to restricted shares and warrants issued in accordance with the terms of the convertible loan agreements.

Working Capital Deficiency

	August 31, 2017	November 30, 2016
	(in thousands)	
Current assets	$ 5,674	$ 4,205
Current liabilities	17,571	14,576
Working capital deficiency	$ (11,897)	$ (10,371)

Current assets increased by $1.5 million, which was primarily attributable to an increase of $1.7 million in accounts receivable and $0.9 increase in prepaid expenses and other receivables mainly due to increase in the convertible loan invested in CureCell which was invested in the equipment and construction of the Korean CDMO facility as part of our strategy to build up a global cell therapy development and manufacturing area.

Current liabilities increased by $3 million, which was primarily attributable to an increase (i) of $1.7 million in advanced payments on account of grant in connection with the new grant approved by the DGO6 to support a clinical study in Germany and Belgium (ii) of $3.7 million in deferred income due upfront paid by our new and old customers under new agreements signed in the CDMO segment. The increase in deferred income reflects the financial orthodoxy applied in the CDMO area. The increase was partly offset by a decrease (i) of $2.5 million due to repayments of loans and convertible bonds (ii) of $0.1 million in convertible bonds due to conversion.

Liquidity and Financial Condition

	Nine Months Ended August 31,	
	2017	**2016**
	(in thousands)	
Net loss	$ (11,511)	$ (6,312)
Net cash used in operating activities	(3,436)	(3,177)
Net cash used in investing activities	(1,443)	(1,049)
Net cash provided by financing activities	4,350	317
Decrease in cash and cash equivalents	$ (529)	$ (3,909)

Since inception, we have funded our operations primarily through the sale of our securities and, more recently, through revenue generated from the activities of MaSTherCell, our Belgian Subsidiary. As of August 31, 2017, we had negative working capital of $12 million, including cash and cash equivalents of $0.8 million.

Net cash used in operating activities was approximately $3.4 million for the nine months ended August 31, 2017, as compared with net cash used in operating activities of approximately $3.1 million for the same period in 2016. We successfully expanded our global activity of the CDMO division while maintain the same level of cash used in operating activities as a result of the increased revenues at our subsidiary MaSTherCell, thereby significantly increasing gross profit and generating cash to pay our ongoing operating expenses.

Net cash used in investing activities for the nine months ended August 31, 2017 was approximately $1.4 million as compared with approximately $ 1 million for the same period in 2016. Net cash used in investing activities was primarily for additions to fixed assets at our subsidiary MaSTherCell and investments in our joint venture with Atvio.

During the nine months ended August 31, 2017, our financing activities consisted of the following:

- Closing on $4 million net of transaction costs in private placement equity offerings through the issuance of 7,786,788 million shares of common stock and three-year common stock purchase warrants for an additional 7,786,788 and 230,923 shares of our common stock exercisable at a per share exercise price of $0.52 or $0.65, respectively.

- Closing on $4.7 million, in private placement debt offerings through the issuance of 1,746,063 warrants and our convertible promissory notes with maturity dates of between six and twenty-four months, convertible as of August 31, 207 into 10,030,917 shares of our common stock and 7,695,260 three-year warrants to purchase up to an additional 7,695,260 shares of our common stock at a per share exercise price of $0.52.

Liquidity & Capital Resources Outlook

Management believes that funds on hand, as well as the subscription proceeds of $12 million that we anticipate receiving on a periodic basis from June 2017 through August 2018 (out of a total of $16 million subscription proceeds that we are to receive through such date), will allow us to conduct operations as presently conducted through the end of 2018. We intend to raise additional operating capital in order to further expand the scope of our operations and realize our multi- year business plan of future years and will likely need to raise additional operating capital in fiscal 2019 in order to maintain operations. Without additional sources of cash and/or the deferral, reduction, or elimination of significant planned expenditures and debt repayment, we may not have the cash resources to continue as a going concern thereafter.

To meet our short and long-term liquidity needs, we expect to use existing cash balances, cash from our revenue generating activities and the subscription proceeds anticipated periodically through the end of fiscal year 2018, as well as a variety of other means, including raising capital through potential issuances of debt or equity securities in public or private financings, partnerships and/or collaborations. In addition, we will continue to seek, as appropriate, grants for expanding our facility in Belgium and scientific and clinical studies from various governmental agencies and foundations. There can be no assurance that additional financing will be available when needed or, if available, that can be obtained on commercially reasonable terms. If we will not be able to obtain the additional financing on a timely basis as required, or generate significant material revenues from operations, we will not be able to meet our other obligations as they become due and will be forced to scale down or perhaps even cease our operations.

Going Concern

The accompanying condensed consolidated financial statements have been prepared assuming that we will continue as a going concern. As of August 31, 2017, we have accumulated losses of approximately $41 million. Although we are now showing positive revenue and gross profit trends in our CDMO division, we expect to incur further losses in the CTB division. Presently, we don't not have sufficient cash to meet our requirements in the following twelve months. These factors raise substantial doubt about our ability to continue as a going concern. Our continuation as a going concern is dependent on our ability to obtain additional financing as may be required and ultimately to attain profitability. In the event that the remaining subscription proceeds from a private placement with an institutional investor referred to below, in the aggregate amount of $12 million (out of total committed amount $16 million) will not be paid periodically through August 2018, then we will need to raise significant funds in order to continue to meet our liquidity needs, realize our business plan and maintain operations. The Company's current cash balance is not sufficient to support its operations as presently conducted or permit it to take advantage of business opportunities that may arise. Management of the Company is continuing its efforts to generate quality of earnings from its CDMO business and to secure funds through equity and/or debt instruments for its operations and business opportunities investments.

The condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. There can be no assurance that management will be successful in implementing a business plan or that the successful implementation of a business plan will actually improve our operating results. If we unable to obtain the necessary capital, we may have to cease operations.

We have been funding operations primarily from the proceeds from private placements of our convertible debt and equity securities and from revenues generated by MaSTherCell. From December 2016 through August 2017, we received, through MaSTherCell, proceeds of approximately $6.1 million in revenues and accounts receivable from customers and $9 million from the private placement to accredited investors of our equity and equity linked securities and convertible loans, out of which $3.5 million are from the institutional investor with whom we entered into definitive agreements in January 2017 for the private placement of units of our securities for aggregate subscription proceeds to us of $16 million. The subscription proceeds are payable on a periodic basis through August 2018. In addition, from September 1, 2017 through October 16, 2017, we raised an additional $1.1 million from the proceeds of a private placement to certain accredited investors of our equity and equity linked securities and we received, through MaSTherCell, proceeds of approximately $1 million in accounts receivable from its customers.

Cash Requirements

Our plan of operation during the next twelve months as of August 31, 2017 is to:

- Continue our activities according to the work plan approved by the DGO6;
- Explore options for collaboration and additional grants in the U.S.; and
- Support our manufacturing activity in Europe.

We estimate that our operating resources, expenses and debt servicing for the next twelve months as of August 31, 2017 will be as follows:

Resources	$	*36,819
Expenses and debt servicing		(25,142)
Total	$	11,675

** The amount of cash resources include the subscription proceeds we are to receive on a periodic basis through August 2018 in the aggregate net amount of $11.4 million.*

Future Financing

We will require additional funds to implement our growth strategy for our business. In addition, while we have received various grants that have enabled us to fund our clinical developments, these funds are largely restricted for use for other corporate operational and working capital purposes. We may raise the additional funds required through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of our shares. There can be no assurance that additional financing will be available when needed or, if available, that can be obtained on commercially reasonable terms. If we will not be able to obtain the additional financing on a timely basis as required, or generate significant material revenues from operations, we will not be able to meet our other obligations as they become due and will be forced to scale down or perhaps even cease our operations.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's president and chief executive officer (who is the Company's principal executive officer) and the Company's chief financial officer, treasurer, and secretary (who is the Company's principal financial officer and principal accounting officer) to allow for timely decisions regarding required disclosure. In designing and evaluating the Company's disclosure controls and procedures, the Company's management recognizes that controls and procedures are designed on a risk-based approach and, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. The Company's management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The continuous improvement of the Company's disclosure controls and procedures is based on material weaknesses identification in the Company's internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. In order to evaluate the effectiveness of internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002, our management, with the participation of the Company's principal executive officer and principal financial officer has conducted an assessment, including testing, using the criteria in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013). Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. This assessment included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating

effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, the Company's management concluded its internal control over financial reporting was not effective as of August 31, 2017. The limitation of the Company's internal control over financial reporting was due to the applied risk-based approach which is indicative of many small companies with limited number of staff in corporate functions implying:

(i) inadequate consistency of segregation of duties with control objectives; and
(ii) ineffective controls over period end financial disclosure and reporting processes.

Our management believes the weaknesses identified above have not had any material effect on our financial results. Management has taken additional steps to address the causes of the above weaknesses and to improve our internal control over financial reporting, including the re-design of our accounting processes and control procedures and the identification of gaps in our skills base and the expertise of our staff as required to meet the financial reporting requirements of a public company. In particular, during the first quarter, we have retained qualified independent third-party personnel, to conduct a comprehensive review of our internal controls and formalization of our review and approval processes in order. The appointed qualified independent third party assessed the Company's risk management framework to manage enterprise risk. During the third quarter, the appointed qualified independent third party designed a remediation plan which, among other things, prevents fraudulent transactions. The risk based approach identified by the Company reflects the awareness of an acceptable level of risk to manage the Company considering the strategy, resources and regulatory environment. This measure led to an overarching remediation plan and program brief to be followed by a detailed action plan for each major risk selected. Subsequently, it is expected to lead to an improvement in our internal controls which will enable us to expedite our month-end close process, thereby facilitating the timely preparation of financial reports and to strengthen our segregation of duties at the Company. We are also hired a full time Chief Financial Officer at MaSTherCell scheduled to begin September 2017 and a full-time controller in our Israeli subsidiary. Finally, we are exploring implementing a new initiative to ease and automate data gathering from all affiliated companies (data warehousing) and implement quantitative and qualitative controls.

Our management will continue to monitor and evaluate the relevance of our risk-based approach and the effectiveness of our internal controls and procedures over financial reporting on an ongoing basis and is committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Changes in Internal Control Over Financial Reporting

During the three months ended August 31, 2017, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect our financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We know of no material pending legal proceedings to which the Company or its Subsidiaries are a party or of which any of its properties, or the properties of its Subsidiaries, are the subject. In addition, we do not know of any such proceedings contemplated by any governmental authorities.

We know of no material proceedings in which any of the Company's directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to the Company or its Subsidiaries or has a material interest adverse to the Company or its Subsidiaries.

ITEM 1A. RISK FACTORS

An investment in the Company's common stock involves a number of very significant risks. You should carefully consider the risk factors included in the "Risk Factors" section of the Annual Report on Form 10-K for the year ended November 30, 2016, as filed with the Securities & Exchange Commission on February 28, 2017, in addition to other information contained in those reports and in this quarterly report in evaluating the Company and its business before purchasing shares of our common stock. The Company's business, operating results and financial condition could be adversely affected due to any of those risks.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following paragraph sets forth certain information with respect to all securities sold by us during the three months ended August 31, 2017 without registration under the Securities Act:

During the three months ended August 31, 2017, we privately placed 1,923,076 shares of our Common Stock and three-year warrants to purchase up to an additional 1,923,076 shares of the Company's Common Stock at a per share exercise price of $0.52. The purchased securities were sold pursuant to subscription agreements between us and the institutional investor for aggregate proceeds to the Company of $1 million.

During the three months ended August 31, 2017, the Company entered into definitive agreements with accredited and other qualified investors relating to a private placement of (i) 665,539 shares of the Company's Common Stock and (ii) three-year warrants to purchase up to an additional 665,539 shares of the Company's Common Stock at a per share exercise price of $0.52 or $0.65. The purchased securities were issued pursuant to subscription agreements between the Company and the purchasers for aggregate proceeds to the Company of $376 thousand.

These securities were not registered under the Securities Act of 1933, as amended (the "Securities Act"), but qualified for exemption under Section 4(a)(2) of the Securities Act and Regulation S promulgated thereunder. The securities were exempt from registration under Section 4(a)(2) of the Securities Act and Regulation S because the issuance of such securities by the Company did not involve a "public offering," as defined in Section 4(a)(2) of the Securities Act, the Investor's representations that it is not a U.S. Person as that term is defined in Rule 902(k) of Regulation S, and that it is acquiring the securities for its own account for investment purposes and not as nominee or agent, and not with a view to the resale or distribution thereof, and that the Investor understands that the securities may not be sold or otherwise disposed of without registration under the Securities Act and any applicable state securities laws, or an applicable exemption therefrom.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description
(31)	**Rule 13a-14(a)/15d-14(a) Certification**
31.1*	Certification Statement of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification Statement of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(32)	**Section 1350 Certification**
32.1*	Certification Statement of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification Statement of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(101)*	**Interactive Data Files**
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* *Filed herewith.*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORGENESIS INC.

By:

/s/ Vered Caplan
Vered Caplan
President & Chief Executive Officer
(Principal Executive Officer)
Date: October 16, 2017

/s/ Neil Reithinger
Neil Reithinger
Chief Financial Officer, Treasurer and Secretary
(Principal Financial Officer and Principal Accounting Officer)
Date: October 16, 2017

Exhibit 31.1

ORGENESIS INC.
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vered Caplan, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended August 31, 2017 of Orgenesis Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under the Company's supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to the Company by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under the Company's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By:

/s/ Vered Caplan
Vered Caplan
President & Chief Executive Officer
(Principal Executive Officer)
Date: October 16, 2017

Exhibit 31.2

ORGENESIS INC.
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Neil Reithinger, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended August 31, 2017 of Orgenesis Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under the Company's supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to the Company by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under the Company's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By:

/s/ Neil Reithinger
Neil Reithinger
Chief Financial Officer, Treasurer and Secretary
(Principal Financial Officer and Principal Accounting Officer)
Date: October 16, 2017

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Vered Caplan, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(a) The quarterly report on Form 10-Q of Orgenesis Inc. for the quarter ended August 31, 2017 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) Information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Orgenesis Inc.

By:

/s/ Vered Caplan
Vered Caplan
President & Chief Executive Officer
(Principal Executive Officer)
Date: October 16, 2017

Exhibit 32.2

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Neil Reithinger, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(a) The quarterly report on Form 10-Q of Orgenesis Inc. for the quarter ended August 31, 2017 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) Information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Orgenesis Inc.

By:

/s/ Neil Reithinger
Neil Reithinger
Chief Financial Officer, Treasurer and Secretary
(Principal Financial Officer and Principal Accounting Officer)
Date: October 16, 2017