



Press Release

TxCell receives €1 million milestone payment regarding Ovasave® collaboration agreement from Trizell

***Milestone payment triggered by first patient enrolment
in the phase IIb clinical trial for refractory Crohn's disease***

Valbonne, France, January 29, 2015 – TxCell SA (FR0010127662 – TXCL), a biotechnology company developing innovative, cost-effective, personalized T-cell immunotherapies using antigen specific regulatory T-cells (Ag-Tregs) for severe chronic inflammatory and autoimmune diseases, announces today the receipt of the latest milestone payment of €1 million from the Ovasave collaboration option, development and license agreement from Trizell (Trizell Holding SA). This milestone payment is a result of the first patient enrolment in the phase IIb clinical trial of TxCell's lead product Ovasave for refractory Crohn's disease. Top line results of this study are expected at the end of 2016 / early 2017.

The Ovasave phase IIb study, named CATS29 (Crohn's And Treg Study), is a multicenter, randomized, double-blinded, placebo-controlled, multi-dose and multi-injection, 4 parallel group study. The trial is conducted in 6 countries (Austria, Belgium, France, Germany, Italy and United Kingdom) and has been designed to include 160 severe refractory Crohn's disease patients.

The exclusive worldwide license option agreement was signed by Ferring International Center (Ferring) and TxCell in December 2013 and its assignment to Trizell was announced on the 2nd January 2015. Ferring and Trizell are both affiliates of the Dr Frederik Paulsen Foundation. The agreement is worth up to €76 million, subject to achievement of development, commercial and manufacturing milestones, plus royalties on future sales of Ovasave. Ferring secured the option for €3 million and is the intended final commercializing party for Ovasave for the treatment of Inflammatory Bowel Disease (IBD), including Crohn's disease and ulcerative colitis. Of that €3 million, Ferring has paid TxCell a €1 million

milestone upon signature, announced on March 14th, 2014. The second €1 million has just been received for the first patient enrolment of the CATS29 Ovasave phase IIb study. The final balance will be paid depending on the progress of the CATS29 clinical study. The agreement also includes supplementary development, commercial and manufacturing milestone payments up to €73 million, plus royalties on future sales of Ovasave.

Trizell Holding SA is a company dedicated to advanced therapies, i.e. cellular and gene therapies. Ovasave will benefit from the additional focus and expertise that Trizell will supply. Ferring remains the intended final commercializing party.

"Receiving this latest milestone payment provides additional support to TxCell for Ovasave's development. This new step marks further progress in our collaboration with Ferring/Trizell," said Damian's Marron, CEO, TxCell. "Ovasave offers the chance of new therapeutic innovation for refractory Crohn's disease patients who have no treatment option. There are currently over 100,000 such patients per year in Europe and in the US alone¹,"

About Ovasave

Ovasave (Ova-Treg cells), TxCell's lead product, is a personalized T cell immunotherapy product, based on the properties of autologous ovalbumin-specific regulatory T lymphocytes. A first clinical study (CATS1) has been completed with Ovasave in refractory Crohn's disease patients and has reported positive clinical efficacy and good tolerability. A phase IIb (CATS29) multicenter, randomized, double-blinded, placebo-controlled, multi-dose and multi-injection, 4 parallel group study is ongoing to evaluate the efficacy and the safety of Ovasave. Top line results of this study are expected end 2016/early 2017.

After administration, Ova-Treg cells home in to the site of inflammation where they are activated by the specific antigen. The Ova-Tregs then act by locally releasing immune suppressive factors, cell-cell contacts and cytotoxic activity to treat the inflammation. Ovasave is classified an Advanced Therapy Medicinal Product (ATMP), by the European Medicines Agency (EMA). Ovasave is developed in partnership with the Swiss company Trizell Holding SA and Ferring International Center remains the intended final commercializing party.

About CATS29

The CATS29 (Crohn's And Treg Study) study is a multicenter, randomized, double-blinded, placebo-controlled, multi-dose and multi-injection, 4 parallel group study. It will evaluate

¹ PharMetrics Analysis, September 2008

the efficacy and the safety of Ovasave (ovalbumin-specific autologous Treg cells (Ova-Treg)) in patients with active refractory Crohn's disease. The primary objective of the CATS29 study is the evaluation of the response rate for a single intravenous injection of 10^6 cells dose of Ovasave compared to placebo 6 weeks post administration. The study has been designed to include 160 severe refractory Crohn's disease patients. The patients will receive, double-blinded, two intravenous (iv) injections 8 weeks apart of either 10^4 , 10^6 , or 10^7 cells of Ovasave or placebo. Patients will then receive either an open-label treatment with 2 additional iv injections of 10^6 cells of Ovasave or a safety follow-up with no injection. Finally, there will be an extended safety follow-up for all patients.

About TxCell

TxCell develops innovative, cost-effective, personalized T cell immunotherapies for the treatment of severe chronic inflammatory diseases with high medical need. TxCell has created ASTRiA, a unique and proprietary technology platform based on the properties of autologous antigen-specific regulatory T lymphocytes (Ag-Tregs). The company has initiated a phase IIb study of its lead product candidate, Ovasave® in refractory Crohn's disease patients. This follows a phase I/IIa study in the same patient population reporting positive clinical efficacy and good tolerability. TxCell has a strategic partnership for the development of Ovasave with the Swiss company Trizell Holding SA and Ferring International Center remains the intended final commercializing party. Both companies are affiliates of the Dr Frederik Paulsen Foundation. TxCell's second product candidate, Col-Treg is for the treatment of autoimmune uveitis, a rare disease of the eye. A placebo-controlled, dose-ranging proof of principle clinical study is planned to start in the first half of 2015. Listed on Euronext-Paris, TxCell, a spin-off of Inserm (France's National Institute for Health and Medical Research) is located in the Sophia Antipolis technology park, Nice, France. The company has 56 employees based at its headquarters and at its manufacturing site in Besançon.

For more information, please visit www.txcell.com

Practical Information about TxCell shares:

ISIN code FR0010127662

Ticker code TXCL

Disclaimer:

This press release contains certain forward-looking statements. Although the company believes its expectations are based on reasonable assumptions, these forward-looking

statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated.

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