



Press Release

TxCell raises approx. € 8 million through a private placement of 10% of its common shares

Significantly oversubscribed transaction

70% of international, mostly healthcare investors

Valbonne, France, July 22, 2015 – TxCell SA (Euronext Paris: FR0010127662 – TXCL), a biotechnology company developing innovative, personalized cell-based immunotherapies using antigen specific regulatory T-cells (Ag-Tregs) for severe chronic inflammatory and autoimmune diseases, announces today the successful completion of a private placement of a total amount of approximately € 8 million.

“We are extremely pleased to welcome on board new, mostly international, institutional investors, as shareholders. Whilst TxCell operates in a mainstream technology, cellular immunotherapy, we have a radically different approach compared to other industry players,” said Stéphane Boissel, CEO of TxCell. “TxCell has developed the only platform dedicated to regulatory T cells. This is a cell population that has been described as having a significant potential to treat both auto-immunity and inflammatory conditions. The industry segment is very large with more than 80 different diseases and several billion dollars in revenue for the pharma and biotech industries. This placement should certainly help us to accelerate the development of TxCell.”

“Proceeds of the placement will be used by TxCell to finance the ongoing developments in our leading two products. We will also invest more in new products or programs, such as the development of our second platform based on engineered regulatory T cells - CAR Treg -” said Raphael Flipo, CFO of TxCell. “Manufacturing operations, specifically through agreements with CMOs (Contract Manufacturing Organizations) to accelerate recruitment in the ongoing studies, will also be an important investment area in the immediate future.”

Stéphane Boissel, CEO of TxCell, subscribed 20,000 new shares, representing approximately 1.71% of the private placement.

Terms of the private placement

A total of 1,116,300 new shares have been issued by means of a capital increase without shareholders preemptive rights pursuant to the 14th resolution of the TxCell shareholders’ meeting of May 26, 2015. The new shares represent around 9.95% of the outstanding shares prior to the private placement.

The private placement was conducted by way of an accelerated book building in accordance with article L. 411-2 II of the French Monetary and Financial Code (*code monétaire et financier*).

Pursuant to the 16th resolution of the company’s ordinary and extraordinary shareholders general meeting dated May 26, 2015 the issue price has been set at €6.80 per share, representing a discount of 8.48% compared to the weighted average stock price over the past three trading sessions, which was €7.43.

In total, approximately 70% of the operation was placed internationally - outside France - .

Use of proceeds

The proceeds from the issue are to be used by the company as additional means for financing of:

- ongoing or coming clinical developments (Ovasave[®], Col-Treg), preclinical & R&D developments
- acceleration of R&D activities, notably on CAR-Treg platform
- process and manufacturing development of ASTria platform
- running and structure costs of the company.

Listing of the new shares

An application will be made to list the new shares on the regulated market of Euronext in Paris ("Euronext Paris"). The new shares will be listed under the same code as the existing shares (ISIN FR0010127662). The new shares shall carry dividends rights as from their issue date and be immediately fungible in all respects with the company's existing shares. The settlement and delivery should occur on July 24, 2015.

The private placement is not the subject of a prospectus to be approved by the French Financial Markets Authority (*Autorité des marchés financiers* – the "AMF").

Standstill provisions

TxCell has agreed not to issue new shares for a period of 90 days after the date of settlement and delivery, subject to the usual exceptions. The shareholder base is split as follows:

Shareholders	Situation before capital increase On the basis of the capital structure on July 15, 2015			Situation after capital increase		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Auriga Partners	3,897,354	33.26%	33.30%	3,897,354	30.25%	30.28%
Seventure Partners	1,595,020	13.61%	13.63%	1,595,020	12.38%	12.39%
Bpifrance Investissement	3,534,472	30.16%	30.20%	3,534,472	27.43%	27.46%
Bpifrance Participations	1,451,612	12.39%	12.40%	1,451,612	11.27%	11.28%
Total Bpifrance	4,986,084	42.55%	42.60%	4,986,084	38.70%	38.74%
New investors	-	0.00%	0.00%	1,166,300	9.05%	9.06%
Free Float	1,226,551	10.47%	10.48%	1,226,551	9.52%	9.53%
Treasury shares	12,209	0.10%	0.00%	12,209	0.09%	0.00%
TOTAL	11,717,218	100.00%	100.00%	12,883,518	100.00%	100.00%

The transaction was led by Bryan Garnier acting as global coordinator and bookrunner.

Information available to the public

Additional information about TxCell, including its business, financial information, perspective and risk factors on its business and activities can be found in the reference document registered by the AMF on June 11, 2015 under the number R. 15-049, which is available free of charge at the headquarters of TxCell, Allée de la Nertière, Les Cardoulines, 06560 Valbonne - Sophia Antipolis, and on the websites of TxCell (www.txcell.com) and the AMF (www.amf-france.org).

About TxCell: www.txcell.com

TxCell develops innovative, personalized T cell immunotherapies for the treatment of severe chronic inflammatory diseases with high medical need. TxCell has created ASTrIA, a unique and proprietary product 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 collaboration for the development of Ovasave with the Swiss company Trizell Holding S.A. and Ferring International Center S.A. 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. Listed on the regulated market Euronext Paris, TxCell is a spin-off of Inserm (France's National Institute for Health and Medical Research). TxCell has 70 employees based both at the headquarters located in the Sophia Antipolis technology park, Nice, France and at its manufacturing site in Besançon.

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An investment decision to subscribe or to buy any shares of TxCell shall be made solely on the basis of publicly available information related to TxCell. Such information is not the responsibility of, and has not been independently verified by Bryan, Garnier & Co.

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