

Press release

TxCell presents a series of new scientific data at the ISCT 2016 Annual Meeting

Valbonne, France, May 26, 2016 – TxCell SA (FR0010127662 – TXCL), a biotechnology company developing innovative, personalized cellular immunotherapies using regulatory T cells (Treg) to treat severe chronic inflammatory and autoimmune diseases, today announces the presentation of novel mechanism of action data for its lead drug candidate Ovasave®, as well as latest results from TxCell's second technology platform, ENTrIA. The data will be divulged at two poster presentations at the International Society for Cell Therapy (ISCT) 2016 Annual Meeting, held from May 25 to 28, 2016, in Singapore.

Miguel Forte, Chief Operating Officer of TxCell and Chief Commercialization Officer of the ISCT, will contribute to the annual meeting alongside two scientists from his department at TxCell, Nathalie Belmonte and Julie Gertner-Dardenne.

The two posters to be presented by TxCell at the ISCT 2016 Annual Meeting are:

- 'Clinical efficiency of antigen-specific Tregs linked to invasive potential through lytic molecule expression' (poster N°176). Julie Gertner-Dardenne will present the results of her TxCell research team studying the mechanism of action of TxCell's lead drug candidate Ovasave® based on clinical batches from the first-in-man Phase I/II CATS1 study. These analyses show a correlation between the expression of granzyme molecules and clinical efficacy. Granzyme molecules are proteins that are released by specific immune cells. They are critical to induce programmed cell death (apoptosis) and play an important role in the immune defense system against viruses, tumors and intracellular bacteria. Experiments recently performed at TxCell show that the role of granzyme molecules in the Ovasave® mechanism involves mainly cell invasion through degradation of the extracellular matrix proteins, in addition to their cytotoxic role.
- 'Regulatory T cell engineered with Chimeric Antigen Receptor (CAR-Treg) for Inflammatory and Autoimmune diseases' (poster N°162). Nathalie Belmonte will present results obtained with ENTrIA, TxCell's second technology platform, composed of Chimeric Antigen Receptor engineered FoxP3+ Regulatory T cells (CAR-Treg). TxCell's results demonstrate that extracellular macromolecules are able to trigger CAR mediated intracellular signalling in Treg cells. These data demonstrate that, in addition to surface bound molecular entities such as CD19 used for CAR-T cell activation in cancer, extracellular macromolecules can be suitable for triggering CAR activation on Treg cells. These extracellular macromolecules can be used to induce the local activation of CAR-Treg cells for the treatment of auto-immune and inflammatory diseases.

About ENTrIA

ENTrIA (Engineered Treg for Inflammation and Autoimmunity) is the second TxCell proprietary cellular immunotherapy product platform and is composed of Chimeric Antigen Receptor engineered FoxP3+ Regulatory T cells (CAR-Treg). After their isolation from the blood of patients, FoxP3+ Treg cells are genetically modified by transduction with Chimeric Antigen Receptors (CAR). The CAR introduced into FoxP3+ Treg cells is designed to allow FoxP3+ Treg cell activation and immuno-modulation through in vivo recognition of a protein present in inflamed areas in patients suffering from autoimmune and chronic inflammatory diseases.

About TxCell – www.txcell.com

TxCell is a publicly listed biotechnology company that develops platforms for innovative, personalized T cell immunotherapies for the treatment of severe chronic inflammatory and autoimmune diseases with high unmet medical need. TxCell is the only clinical stage cellular therapy company dedicated to the science of regulatory T lymphocytes (Tregs). Tregs are a recently discovered T cell population for which anti-inflammatory properties have been demonstrated. Ovasave®, TxCell's lead drug candidate, is currently in a Phase IIb clinical trial in refractory Crohn's disease patients. Col-Treg, its second drug candidate, is in preclinical development for the treatment of autoimmune uveitis. Based in Sophia-Antipolis, France, TxCell is listed on Euronext Paris and currently has 50 employees.

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Forward-Looking Statements - TxCell

This press release contains certain forward-looking statements relating to the business of TxCell, which shall not be considered *per se* as historical facts, including TxCell's ability to develop, market, commercialize and achieve market acceptance for specific products, estimates for future performance and estimates regarding anticipated operating losses, future revenues, capital requirements, needs for additional financing. In addition, even if the actual results or development of TxCell are consistent with the forward-looking statements contained in this press release, those results or developments of TxCell may not be indicative of their in the future.

In some cases, you can identify forward-looking statements by words such as "could," "should," "may," "expects," "anticipates," "believes," "intends," "estimates," "aims," "targets," or similar words. Although the management of TxCell believes that these forward-looking statements are reasonably made, they are based largely on the current expectations of TxCell as of the date of this press release and are subject to a number of known and unknown risks and uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by these forward-looking statements. In particular, the expectations of TxCell could be affected by, among other things, uncertainties involved in the development of the Company's products, which may not succeed, or in the delivery of TxCell's products marketing authorizations by the relevant regulatory authorities and, in general, any factor that could affects TxCell capacity to commercialize the products it develops, as well as, any other risk

and uncertainties developed or identified in any public documents filed by TxCell with the AMF, included those listed in chapter 4 "Risk factors" of the 2015 document de référence approved by the AMF on May 24, 2016 under number R.16-048. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements made in this press release will in fact be realized. Notwithstanding the compliance with article 223-1 of the General Regulation of the AMF (the information disclosed must be "accurate, precise and fairly presented"), TxCell is providing the information in these materials as of this press release, and disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.