

Transgene and Randox Sign Collaboration to Develop Innovative Multifunctional Oncolytic Virotherapies for Solid Tumors

Novel Oncolytic Virotherapies will be developed by Transgene, based on its next generation Invir.IO™ Platform and expressing Randox' Single-domain Antibodies (SdAb)

Strasbourg (France) and Belfast (Northern Ireland), October 2, 2017, 5:45 p.m. CET - Transgene (Euronext Paris: TNG), a biotech company that designs and develops viral-based immunotherapies, and Randox, a global leader in *in vitro* diagnostics, have entered into a collaboration to combine their technologies and develop multifunctional oncolytic immunotherapies. Innovative oncolytic viruses (OVs) resulting from this collaboration will use Transgene's proprietary next generation viral platform Invir.IO™ in which one or more of Randox's SdAbs (single-domain antibodies) will be vectorized. The immunotherapies resulting from this collaboration will combine the oncolytic effect of the viruses with the properties of the vectorized SdAbs that will be locally expressed in the tumor microenvironment (TME) with the aim of treating immunosuppressed solid tumors.

Under the terms of the agreement, Transgene will develop novel anticancer oncolytic virus drugs using its proprietary *Vaccinia* virus (TK-, RR-) strain, and its expertise in molecular engineering and translational research. This novel viral strain offers increased oncolytic properties. In addition, its large genome capacity, which is very differentiating, enables multiple therapeutic payloads ("anticancer weapons") to be delivered in the tumor, where the virus replicates. Randox will provide expertise in antibody engineering and make available its collection of new and future immunotherapeutic SdAbs to be used as vectorized payloads. These SdAbs have the potential to modulate the patient's immune response and produce a powerful synergistic effect with Transgene's oncolytic viral platform.

Transgene's Invir.IO™ technology is an efficient way to target immunosuppressive pathways directly in the tumor microenvironment. By locally expressing one or several SdAbs in the TME, the viral-based approach promises to optimize the efficacy of the encoded therapeutic agents, while reducing their associated side effects, often reported after systemic administration.

Novel OV products generated from the collaboration have the potential to be significantly more effective than a combination of single agents. Transgene previously reported a preclinical proof-of-concept data showing that an oncolytic *Vaccinia* virus encoding a sequence of anti-PD1 demonstrated better overall survival than the combination of separate single agents.

Eric Quéméneur, PhD, Executive VP and VP Research & Development of Transgene, said: *"We are delighted to collaborate with Randox. Its library of SdAbs against major targets in immuno-oncology provides an excellent opportunity to demonstrate the high potential of our Invir.IO™ platform. We look forward to working with Randox and to generating novel product candidates which combine the merits of oncolytic virotherapy and local delivery of therapeutic payloads. We believe such targeted expression of therapeutic agents, including immune checkpoint inhibitors, will better potentiate the tumor microenvironment and paves the way for the development of a broad range of innovative cancer treatments."*

Commenting on the agreement, Dr. Peter FitzGerald, Managing Director and Founder of Randox Laboratories, said: *"This collaboration will enable ground-breaking innovation and research to be carried out in a critical area of human health. The work we will be doing in the field of cancer treatment*

has the potential for enormous benefit for patients, by delivering more effective treatments. We are looking forward to working with Transgene to generate oncolytic viruses that will be able to express multiple functions directly into the tumor, enhancing their efficacy. This partnership will allow us to better leverage our SdAb capabilities and immuno-oncology expertise, and add to our strategic collaborations across the world.”

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About Invir.IO™

Transgene's proprietary oncolytic virus (OV) platform Invir.IO™ allows it to design innovative multifunctional oncolytic viruses. The platform is among others based on the Company's engineered *Vaccinia* virus strain (VV^{COP} TK-RR-) which can integrate a variety of functional transgenes. The Invir.IO™ platform has already shown that it can generate products that benefit from multifunctional arming (enzyme, antibody, cytokine, etc.), that are currently being evaluated in preclinical.

About Transgene

Transgene (Euronext: TNG), part of Institut Mérieux, is a publicly traded French biotechnology company focused on designing and developing targeted immunotherapies for the treatment of cancer and infectious diseases. Transgene's programs utilize viral vector technology with the goal of indirectly or directly killing infected or cancerous cells. The Company's lead clinical-stage programs are: TG4010, a therapeutic vaccine against non-small cell lung cancer, Pexa-Vec, an oncolytic virus against liver cancer, and TG4001, a therapeutic vaccine against HPV-positive head and neck cancers. The Company has several other programs in clinical and preclinical development, including TG1050 (chronic hepatitis B) and TG6002 (solid tumors). Transgene is based in Strasbourg, France, and has additional operations in Lyon, as well as a joint venture in China. Additional information about Transgene is available at www.transgene.fr.

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About Randox

Randox is a global leader in healthcare diagnostics; today more than 5% of the world's population – in excess of 370 million people across 145 countries – receives medical diagnosis using Randox products each year. Randox is the largest diagnostic company in the UK and exports over 95% of products worldwide. Our products and services are used in hospitals, clinical, research and molecular laboratories, food testing, forensic toxicology, life sciences, and veterinary laboratories.

There are more than 1400 employees of 44 nationalities, including 300 research scientists and engineers, as well as offices and distribution in over 145 countries. There are four key manufacturing and research and development sites, located in County Antrim, Northern Ireland; Dungloe, County Donegal, Ireland; Bangalore, India; and in the Greater Washington, DC, area, USA.

With a major focus in R&D, Randox scientists work in pioneering research into a range of common illnesses such as cancer, cardiovascular disease and Alzheimer's disease. With around 16% of turnover reinvested in R&D, Randox has more new tests in development than any other diagnostic company.

Our scientists have spent over £220 million researching the thousands of biomarkers present in our bodies and have identified the gold standard in testing. Our patented Biochip Array Technology is the world's only diagnostic grade biochip. This state-of-the-art technology has revolutionized the diagnostics industry by offering a unique testing platform which allows multiple tests to be carried out from a single patient sample at our Randox Health Clinics.

For more information visit: www.randox.com

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