



PRESS RELEASE

Transgene Launches a Capital Increase via a Private Placement

Launch of a capital increase via a private placement in the context of an accelerated bookbuilding for an amount of approximately 32 million euros

Funds raised will enable Transgene to carry out its ambitious clinical development plan and to extend its financial visibility until the fourth quarter of 2023

Historical shareholders participate in the transaction up to approximately 80 %

Strasbourg, France, June 21, 2021, 5:45 p.m. CET – Transgene (Euronext Paris: TNG), a biotech company that designs and develops virus-based immunotherapies for the treatment of cancer, (“**Transgene**” or the “**Company**”) today announces the launch of a capital increase through the issuance of ordinary shares, with a waiver of preferential subscription rights, via a private placement in the context of an accelerated bookbuilding for an amount of approximately 32 million euros (the “**Capital Increase**”).

The 32-million euros Capital Increase could be increased to approximately 20% of Transgene’s share capital resulting in the issuance of a maximum of 16,768,266 new ordinary shares. The Offering is exclusively directed at certain qualified and institutional investors located in and outside of France. This transaction will benefit from the support of the Company’s historical shareholders. It will extend the Company’s financial visibility until the fourth quarter of 2023.

Funds will be directly used by descending order of strategic priority:

- circa €25m for the finalisation of clinical studies and the obtention of data with TG4001, TG4050, BT-001 and TG6002;
- circa €4m to launch the clinical development of new oncolytic viruses based on the Invir.IO™ platform and currently undergoing preclinical evaluation;
- for the remainder, to finance, together with operational products of the Company, R&D and operational costs, as well as current cash consumption.

MAIN TERMS OF THE CAPITAL INCREASE

The Capital Increase consists of a private placement pursuant to Articles L. 225-136 of the French Commercial Code and L. 411-2 1° of the French Monetary and Financial Code. The transaction will be carried out with a waiver of preferential subscription rights, pursuant to the delegation of authority granted to the Board of Directors under the 22nd resolution of the Combined General Shareholders' Meeting of May 27, 2020.

The offering is reserved in the European Economic Area (including in France), to "*qualified investors*", as that term is defined in Article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 as amended (the "**Prospectus Regulation**"), in the United States of America to "*Qualified Institutional Buyers*" in accordance with Rule 144A under the U.S. Securities Act of 1933 (the "**Securities Act**") and outside the United States of America to "*institutional investors*", in accordance with Regulation S of the Securities Act.

SHAREHOLDERS' SUBSCRIPTION AND LOCK-UP AGREEMENTS

Institut Mérieux, which currently holds 99.5% through its subsidiary TSGH, 60% of the company's share capital indicated that they intend to place an order of 25 million euros. Furthermore, SITAM Belgium (previously Dassault Belgique Aviation), which hold 4.9% of the company's share capital, have indicated that they intend to subscribe for new ordinary shares in the Capital Increase in order to maintain their current level of participation in the Company. The total amount of these two orders represent up to approximately 80% of the Offering. Orders of TSGH and SITAM Belgium will be placed "at any price" in order not to interfere with the pricing of the Capital Increase. The press release announcing the results of the Capital Increase will set out the shareholding resulting from the transaction.

This renewed support is a sign of Transgene's historical shareholders continued confidence in the Company's strategy and cutting-edge technologies, against a background of the strong interest shown by clinicians in the Company's highly innovative drug candidates.

Independent board members of the Company were called upon to vote on the transaction, and unanimously approved both the principle of the Capital Increase and its terms. Ms Flory, for TSGH, et Mr Habert, for SITAM Belgique, did not take part to the board meeting.

TGSH and SITAM Belgique have agreed with the Global Coordinators for the contemplated transaction that they will not sell or transfer its shares of Transgene for a period ending 90 days after the settlement and delivery of the Capital Increase, subject to the usual exceptions.

In connection with the Capital Increase, the Company will enter into a lock-up agreement with the Global Coordinators for a period ending 90 days after the settlement and delivery of the Capital Increase, subject to customary exceptions.

The Capital increase is the subject of a placing agreement entered into by the Company and the Global Coordinators on June 21, 2021. The placing agreement may be terminated by the Global Coordinators at any time up to (and including) the settlement date of the Capital Increase which is expected to take place on June 24, 2021, subject to certain customary conditions.

The Capital Increase is conducted by Kempen & Co and Natixis as Global Coordinators, Joint Lead Managers and Joint Bookrunners (« **Global Coordinators** »).

INDICATIVE TIMETABLE

The private placement will be carried out via an accelerated bookbuilding that will determine the number of ordinary shares to be issued and their subscription price.

The accelerated bookbuilding process will begin immediately and should be concluded before the opening of the markets on June 22, 2021, subject to acceleration.

Transgene will announce the subscription price as well as the number of ordinary shares to be issued in a further press release at the latest on June 22, 2021 and as soon as practicable after the closure of the bookbuilding process.

Settlement of the new ordinary shares to be issued in the context of the Capital Increase as well as their admission of the new shares to trading on Euronext Paris are expected to occur on June 24, 2021. The new shares will bear current dividend rights and will be admitted for trading on the regulated market on Euronext Paris under ISIN code: FR0005175080 – TNG.

INFORMATION AVAILABLE TO THE PUBLIC

The Capital Increase will not be subject to a prospectus approved by the French Financial Market Authority (the “**AMF**”). Detailed information on Transgene, including its business, results, prospects and related risk factors are described in the Company’s universal registration document filed with the AMF on April 1st, 2021 under number D.21-0248 (the “**Universal Registration Document**”), which is available together with other regulated information and all press releases of the Company, on Transgene’s website (www.transgene.fr).

Transgene draws the attention of the public to:

- The risk factors presented in the Universal Registration Document ; the materialization of any or all of these risks is likely to have a detrimental effect on the activity, financial situation, or the results of Transgene or on its ability to achieve its objectives.
- The main risks associated with the Capital Increase are the following:
 - the market price of the Company shares may fluctuate and fall below the subscription price of the new shares;
 - due to stock market fluctuations, the volatility and liquidity of the Company shares may vary significantly;
 - the sale of Company shares may occur on the secondary market, after the capital increase, and have a negative impact on the Company share price;
 - regarding the use of the expected proceeds of the issuance within the context of the Capital Increase, the Company has room for maneuver as to the use of the funds raised and could use them in a way that the shareholders may not adhere to or that would not increase the value of their investment in the short term; and
 - a new market-based call by the Company, after the Capital Increase, could result in further dilution for the investors.

A corporate presentation of the Company is available on the Company’s website (<https://www.transgene.fr/en/investors>)

About Transgene

Transgene (Euronext: TNG) is a biotechnology company focused on designing and developing targeted immunotherapies for the treatment of cancer. Transgene's programs utilize viral vector technology with the goal of indirectly or directly killing cancer cells.

The Company's clinical-stage programs consist of two therapeutic vaccines (TG4001 for the treatment of HPV-positive cancers, and TG4050, the first individualized therapeutic vaccine based on the *myvac*[®] platform) as well as two oncolytic viruses (TG6002 for the treatment of solid tumors, and BT-001, the first oncolytic virus based on the Invir.IO™ platform).

With Transgene's *myvac*[®] platform, therapeutic vaccination enters the field of precision medicine with a novel immunotherapy that is fully tailored to each individual. The *myvac*[®] approach allows the generation of a virus-based immunotherapy that encodes patient-specific mutations identified and selected by Artificial Intelligence capabilities provided by its partner NEC.

With its proprietary platform Invir.IO™, Transgene is building on its viral vector engineering expertise to design a new generation of multifunctional oncolytic viruses. Transgene has an ongoing Invir.IO™ collaboration with AstraZeneca.

Additional information about Transgene is available at: www.transgene.fr

Follow us on Twitter: [@TransgeneSA](https://twitter.com/TransgeneSA)

Contacts

Transgene:

Lucie Larguier

Director Corporate Communications & IR

+33 (0)3 88 27 91 04

investorrelations@transgene.fr

Media: Medistrava Consulting

David Dible/Sylvie Berrebi

+44 (0)77 1430 6525

transgene@medistrava.com

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*This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the "**Prospectus Regulation**"). Any decision to purchase shares must be made solely on the basis of publicly available information on the Company.*

With respect to any member state of the European Economic Area, including France, any offer of the Company's securities will be directed exclusively to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation and in France in accordance with the provisions of Article L.411-2, 1° of the French Monetary and Financial Code.

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This press release contains forward-looking statements subject to a number of risks and uncertainties that could cause actual results to be materially different from those anticipated. There can be no guarantee that (i) the results of preclinical work and previous clinical trials are predictive of the results of the clinical trials currently underway, (ii) that regulatory approvals for the Company's therapies will be obtained or (iii) that the Company will find partners to develop and market its therapies within a reasonable timeframe and under satisfactory conditions. The occurrence of these risks could have a material adverse effect on the Company's business, prospects, financial condition, results of operations or developments.

For a description of the risks and uncertainties that could affect the Company's results, financial condition, performance or achievements and thus cause a variation from the forward-looking statements, please refer to the "Risk Factors" section of the Universal Registration Document filed with the AMF and available on the websites of the AMF (www.amf-france.org) and of the Company (www.transgene.fr).

The forward-looking statements are made as of the date of this document and the Company and the Global Coordinators and their respective affiliates do not undertake to update these forward-looking statements, even if new information should become available in the future.

The Global Coordinators are acting exclusively for the Company and no one else in connection with the offer of new ordinary shares and will not regard any other person as their respective clients and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients in connection with any offer of new ordinary shares of the Company or otherwise, nor for providing any advice in relation to the offer of new ordinary shares, the content of this press release or any transaction, arrangement or other matter referred to herein.

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