



Press release

TxCell terminates its OCABSA financing program following closing of the acquisition by Sangamo of a majority stake in TxCell

Valbonne, France, October 1, 2018, 2.00pm CEST – TxCell SA (FR0010127662 – TXCL), a developer of cellular immunotherapies based on regulatory T cells (Tregs) for inflammation, autoimmunity and transplantation, today announces that the actions provided for by the agreement entered into between TxCell and Yorkville in July 2018 (the “**Agreement**”), to further improve the terms of its OCABSA financing program in the context of the closing of the acquisition by Sangamo Therapeutics, Inc. of a majority stake of TxCell, have now been completed as planned (see TxCell’s press release dated July 23, 2018). The OCABSA financing program is therefore terminated.

As a reminder, the OCABSA financing program consisted of monthly installments for a maximum nominal amount of €1.2 million each¹ at TxCell’s sole discretion, for a total potential fundraising of up to €20 million, through the exercise by Yorkville, upon request of TxCell, of warrants (“**Tranche Warrants**”) giving access to notes (“**OCA**”) with share subscription warrants attached (“**BSA**”).

Pursuant to the Agreement, and in the context of the effective completion by Sangamo Therapeutics, Inc. of the acquisition of 53% of TxCell’s outstanding shares, Yorkville and TxCell have now completed the following actions:

- TxCell has redeemed 50% of the outstanding OCA held by Yorkville (i.e. 28 OCA) for a total redemption amount of €3,080,000 (being 110% of their aggregate par value of €2,800,000);
- Yorkville has converted the remaining 28 OCA into 1,866,666 new TxCell’s shares, at a fixed conversion price of €1.50; and
- TxCell has bought back for the lump sum of €1.00 and cancelled all of the 84 outstanding Tranche Warrants and the outstanding 1,236,350 BSA held by Yorkville.

As a result of the abovementioned actions, as well as of the exercise of some outstanding share subscription warrants, the number of TxCell’s shares amounts to 25,524,653, on a fully diluted basis, on the date hereof.

About TxCell – www.txcell.com

TxCell is a biotechnology company that develops platforms for innovative, personalized T cell immunotherapies for the treatment of severe inflammatory and autoimmune diseases with high unmet medical need. TxCell is targeting transplantation as well as a range of autoimmune

¹ Except for the first three installments which amounted to respectively €3 million, €2 million and €1.8 million.

diseases (both T-cell and B-cell-mediated), such as multiple sclerosis, rheumatoid arthritis, inflammatory bowel diseases or inflammatory skin diseases.

TxCell's cellular immunotherapies are based on regulatory T lymphocytes (Tregs). Tregs are a T cell population discovered in the nineties for which anti-inflammatory properties have been demonstrated. Contrary to conventional approaches based on non-specific polyclonal Tregs, TxCell is exclusively developing engineered antigen-specific Tregs, where the antigen specificity is brought by a Chimeric Antigen Receptor (CAR) (CAR-Treg cells).

Based in Sophia-Antipolis, France, TxCell is listed on Euronext Paris and currently has 46 employees.

Contacts

TxCell

Caroline Courme

Tel: +33(0) 4 97 21 83 00

caroline.courme@txcell.com

Image Box – Press relations

Neil Hunter / Michelle Boxall

Tel: +44(0) 20 8943 4685

neil.hunter@imageboxpr.co.uk

michelle.boxall@imageboxpr.co.uk

NewCap – Investor relations

Tristan Roquet / Mathilde Bohin

Tel: +33 (0)1 44 71 98 52

txcell@newcap.eu

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 TxCell'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 affect 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 2017 *document de référence* (registration document) submitted to the AMF on April 25, 2018. 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.

This press release is for information purposes only and does not, and shall not, in any circumstances, constitute a public offering by TxCell nor a solicitation of an offer to subscribe for securities in any jurisdiction, including France. The persons in possession of this announcement shall then get knowledge of any local restrictions and shall comply with these restrictions.