

*This press release may not be published, forwarded or distributed, directly or indirectly, in the United States, Canada, Australia or Japan*



## Press Release

### **TxCell announces the registration of its *document de base* with the French *Autorité des marchés financiers* (AMF) in the context of its planned IPO on the regulated market of Euronext Paris**

Valbonne (France), March 14<sup>th</sup>, 2014: TxCell, a biotechnology company developing innovative, personalized cell-based immunotherapies using antigen specific regulatory T-cells (Ag-Tregs) for severe chronic inflammatory and autoimmune diseases, today announces the filing of its *document de base* with the French *Autorité des marchés financiers* (the “**AMF**”) under number I.14-008 on the March 13<sup>th</sup>, 2014.

The registration of the *document de base* is the first step towards TxCell’s initial public offering of its shares on the regulated market of Euronext Paris. The process is subject to market conditions and to the AMF’s visa on the prospectus for the transaction.

TxCell’s *document de base* is available on the company’s website ([www.txcell.com](http://www.txcell.com)) as well as the website of the AMF ([www.amf-france.org](http://www.amf-france.org)). It is also available free of charge upon request from the company at the head office of TxCell - Les Cardoulines, Allée de la Nertière, Sophia Antipolis, 06560 Valbonne, France.

TxCell draws the attention of the public to Chapter 4: ‘Risk factors’, in the *document de base* registered with the AMF.

#### **Educating T regulatory lymphocytes: a breakthrough innovation in auto-immune disease:**

With 105 patents already, TxCell has developed a new generation of cellular therapy for the treatment of inflammatory autoimmune diseases by educating *ex-vivo* patients’ own T regulatory (Treg) lymphocytes. Tregs have natural anti-inflammatory capabilities, and TxCell has developed a technology that enables them to “learn” specifically to recognise an antigen in the inflamed area and activate themselves effectively. This makes the treatment highly targeted but without the resistance effects of currently available treatments that become ineffective.

#### **Economically viable cellular therapy**

The advantage offered by TxCell’s technology lies in the production process, which makes personalised cellular therapy economically viable for the first time. Education of Tregs is undertaken only once based on a single simple sample of blood taken from the patient. Since the quantity of “educated” Tregs is very large, they are then frozen to be used as treatment for the patient over a number of years. As the production cost is covered during the first year of treatment, this process makes TxCell’s business model highly original.

*This press release may not be published, forwarded or distributed, directly or indirectly, in the United States, Canada, Australia or Japan*

### Resistant Crohn's disease patients: a first target market worth approximately €3 billion<sup>1</sup>

Crohn's disease is a particularly debilitating chronic inflammatory disease of the intestine. It causes patients both great physical pain and social isolation due to the significant restrictions it imposes on a daily life. Crohn's disease affects more than one million people, of whom an estimated 80,000 to 100,000 are "resistant" to any treatment<sup>2</sup>. It is primarily for these so-called "resistant" patients that the technology has been both developed by TxCell and for whom the first clinical results have been very convincing in terms of both effectiveness and tolerance. The market segment targeted by TxCell's OVASAVE<sup>®</sup> represents a potential market worth about €3 billion.

### Strategic partnership with a major pharmaceutical company

TxCell already has a strategic partnership with the Swiss company Ferring International Center (Ferring), a major player in the pharmaceutical industry and in treatments for chronic inflammatory bowel disease. This partnership has a potential value of €76 million plus royalties and includes most importantly, subject to Phase IIb results for OVASAVE<sup>®</sup>, the funding of Phase III and the commercialisation of the product by Ferring.

### Existing production capacity

To support the development of its new generation cellular therapy and exploit its business model to best effect, TxCell already has its own cellular therapy production facility in Besançon. This has been granted pharmaceutical establishment status by the ANSM (French drug agency), which allows it to produce experimental cellular therapy. TxCell has additionally a patented manufacturing production process.

#### About TxCell:

TxCell is developing innovative personalized cell-based immunotherapies for the treatment of severe chronic inflammatory diseases with high medical need using its unique and proprietary ASTrIA technology platform based on the properties of autologous antigen-specific regulatory T lymphocytes (Ag-Tregs). The company has completed a phase I/IIa study of its lead product candidate, Ovasave<sup>®</sup> in refractory Crohn's disease patients and has reported good tolerability and positive signals of efficacy. The company plans to initiate a phase IIb study in the same patient population. TxCell, a spin-off of Inserm (France's National Institute for Health and Medical Research) is located in the Sophia Antipolis technology park, Nice, France.

#### Contacts

<b>TxCell</b>	<b>Image Box</b>	<b>NewCap</b>
Raphaël Flipo	Media Relations	Financial Communications
Directeur Financier	Neil Hunter / Emma Marshall	Julien Perez / Pierre Laurent
Tel: +33(0)4 97 218 300	Tel: +44(0) 20 8943 4685	Tel: +33(0)1 44 71 94 94
contact@txcell.com	neil.hunter@imageboxpr.co.uk	txcell@newcap.fr

---

1 Source: Company ; based on the estimated number of patients by Pharmedics Analysis Sept. 2008 and the average selling price of current biologic treatments

2 In the seven major pharmaceutical markets (USA, UK, France, Germany, Spain, Italy and Japan)

***This press release may not be published, forwarded or distributed, directly or indirectly, in the United States, Canada, Australia or Japan***

**Disclaimer**

No communication or other information related to this transaction or to TxCell group may be transmitted to the public in a country in which any approval or registration is required. No steps to such end have been taken or will be taken by the company in any country (including France) in which such steps would be required.

This press release does not constitute an offer or a solicitation to sell or subscribe requiring a prospectus within the meaning of Directive 2003/71/CE of the European Parliament and Council dated November 4, 2003, as amended, in particular by Directive 2010/73/UE in the case where such directive was implemented into law in the member states of the European Economic Area (together, the “**Prospectus Directive**”).

The offer will be open solely to the public in France after the delivery by the AMF of a visa on the Prospectus.

With respect to the member states of the European Economic Area other than France (the “**Member States**”) having implemented the Prospectus Directive into law, no action has been or will be taken in order to permit a public offer of the securities which would require the publication of a prospectus in one of such member states. In Member States other than France, this press release and any offer if made subsequently are directed exclusively at persons who are “qualified investors” and acting for their own account within the meaning of the Prospectus Directive and any relevant implementing measures in the relevant member state.

This press release must not be published, released or distributed, directly or indirectly, in United States of America, Australia, Canada or Japan. This press release and the information contained herein do not constitute an offer to sell or subscribe, nor the solicitation of an order to purchase or subscribe, securities in such countries.

This press release does not constitute or form part of an offer of securities or a solicitation for purchase, subscription or sale of securities in the United States. Securities may not be offered, subscribed or sold in the United States without registration under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and other state securities law, or pursuant to an exemption from registration. TxCell group shares have not been and will not be registered under the U.S. Securities Act and TxCell group does not intend to undertake a public offering of its securities in the United States.

This press release is not an invitation nor an inducement to engage in investment activity for the purpose of Section 21 of the Financial Services and Markets Act 2000, as amended (“**FSMA**”). This press release is directed only at (i) persons outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”), (iii) persons referred to in Article 49(2) (a) to (d) of the Order (high net worth entities, non-registered associations, etc.) and (iv) other persons to whom this document may be lawfully communicated (all persons listed in (i), (ii), (iii) and (iv) above being referred to as “**Relevant Persons**”). The securities of TxCell described herein are available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person must not act or rely on this document or any of its contents.

The release, publication or distribution of this press release in certain jurisdictions may be restricted by laws or regulations. Persons in such jurisdictions into which this press release is released, published or distributed must inform themselves about and comply with such laws or regulations.