Press release

TxCell: financial information for the 2nd quarter of 2016

Valbonne, France, July 27, 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 reports its cash position and its revenues for the second quarter of 2016.

Cash position and revenues as of June 30, 2016

As of June 30, 2016, the cash and cash equivalents amounted to €3.2 million[1]. This amount does not include proceeds from the first drawdown of €5 million on the €20 million OCABSA financing line announced on June 17, 2016, which is subject to the approval of TxCell's shareholders through an Extraordinary General Meeting (EGM) convened on August 1st, 2016.

TxCell also has access to the standby equity facility (SEF®, PACEO®) implemented on December 22, 2015. TxCell has not withdrawn from this to date.

As expected, TxCell did not generate revenues during the second quarter 2016.

Key operational highlights

European regulatory authorities authorized TxCell to restart the CATS29 study

- The CATS29 study is a phase IIb, placebo-controlled clinical trial with TxCell's lead drug-candidate Ovasave® in patients with moderate to severe Crohn's disease refractory to existing treatments, which represents a major unmet medical need. TxCell received the authorization from European regulatory authorities to restart this study in May 2016. TxCell is therefore preparing to resume CATS29 upon availability of funds. Topline data are expected within 18 to 21 months of trial resumption and could confirm the compelling efficacy, safety and durability results already obtained in a first Phase I/II clinical trial in refractory Crohn's disease patients.

TxCell achieved significant progress with its ENTrIA CAR-Treg platform

- TxCell exercised its option and signed an exclusive worldwide licensing agreement on the CAR-Treg patent from the Weizmann Institute of Science (Israel) covering all redirected, genetically engineered T regulatory cells (CAR-Treg) and their use in the

[1] Unaudited data.

suppression of autoimmune and inflammatory diseases. This key patent has already been granted in Europe and is under review in the United States.

- Two CAR-Treg collaborations were signed with prestigious European research institutions:
    - Ospedale San Raffaele (Milan, Italy) for Lupus Nephritis.
    - Lübeck Institute of Experimental Dermatology (Lübeck, Germany) for Bullous Pemphigoid.

Next financial milestones

- August 1, 2016: EGM to vote on OCABSA financing
- September 27, 2016 (after market close): full 2016 half-year financial results
- November 8, 2016 (after market close): third quarter 2016 revenue and cash position

About TxCell – www.txcell.com

TxCell is a 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.

TxCell is developing two proprietary technology platforms, ASTrIA and ENTrIA. ASTrIA is composed of autologous antigen-specific Type 1 Tregs. Ovasave®, TxCell's lead drug-candidate originating from the ASTrIA platform, is currently in a phase IIb clinical trial in refractory Crohn's disease patients. ENTrIA is composed of Chimeric Antigen Receptor engineered FoxP3+ regulatory T cells (CAR-Treg). In this area, TxCell is pursuing two CAR-Treg development programs in collaboration with leading European research institutions: one targeting Lupus Nephritis with Ospedale San Raffaele in Milan and the other targeting Bullous Pemphigoid with the Lübeck Institute of Experimental Dermatology.

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.