

TXCELL CARRIES OUT ITS IPO ON THE EURONEXT PARIS, RAISING €16.2m

Valbonne (France), April 11th, 2014: TxCell (FR0010127662 – TXCL), 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 its initial public offering on the regulated market of Euronext in Paris (Compartment C).

The offering price has been set at €5.58 per share. Overall, the number of shares issued was 2,903,226 (or 75% of the number of shares initially offered) resulting in a capital increase of approximately €16.2 million (including share premium).

The operation benefited from the solid support of the Company's historical shareholders, Auriga Partners, Seventure and Innobio, and Bpifrance Participations who subscribed to the capital increase to the tune of €5.7 million and €8.1 million respectively. This show of confidence in the Company's industrial project allows it to have a stable shareholder structure incorporating benchmark players in its sector.

The new shares offered in the global Offering will be allocated as follows:

- Global placement (including historical shareholders and Bpifrance Participations): 2,553,094 shares allocated (approximately €14.2m and 88% of the total number of shares issued);
- Open price offering (OPO): 350,132 shares allocated (approximately €1.95m and 12% of the total number of shares issued);
- In respect of the OPO, A1 and A2 orders will be fully allocated.

627,239 shares, based on a price of €5.58 per share, arising from the automatic conversion on the date of initial listing of the shares of the convertible bonds issued by TxCell, will be admitted to trading on the regulated market of Euronext in Paris.

Based on a total of 11,390,932 shares to be admitted to trading and a value of €5.58 per share, total market capitalization of TxCell stands at approximately €63.6m.

Société Générale, acting as stabilising agent, or any institution acting on its behalf may, without being obliged to do so and with the option of terminating them at any time, during a period of 30 days following the date on which the Offering Price is determined, i.e., according to the indicative timetable, from 11 April to 9 May 2014, effect transactions with a view to maintaining the market price of the TxCell shares in a manner consistent with applicable laws and regulations and, in particular, EU Commission regulation number 2273/03 of 22 December 2003. These activities are intended to support the market price of the TxCell shares and may affect the share price.

If no overallotment is made, shareholders Auriga Partners, Seventure and Innobio have undertaken to buy back the shares that Société Générale has bought for stabilisation purposes up to an aggregate maximum amount of around €1.7 million.

A liquidity contract signed with Oddo Corporate Finance will be implemented at the end of the stabilisation period.

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The settlement/delivery of newly issued shares in the OPO and the global placement will occur on April 16th, 2014. From the 14th to the 16th of April 2014 (inclusive), the Company's shares will be traded in the form of undertakings to deliver shares (promesses d'actions) and in the form of ordinary shares, from April 17th, 2014. Shares are admitted to trading on Compartment C of the regulated market of Euronext in Paris under the **ISIN FR0010127662** and under the **symbol TXCL**.

Damian Marron, CEO of TxCell, comments: *"TxCell's initial public offering on the Euronext Paris represents a major milestone regarding the acceleration in the development of the company and its new generation cellular therapies. On behalf of the entire TxCell team, I would like to thank our longstanding shareholders, Bpifrance and all those who have come onboard our innovative and unique project to help us change the lives of thousands of patients with inflammatory and autoimmune diseases, such as Crohn's disease, who are refractory to current treatments."*

Shareholding following the IPO

Shareholders	Pre IPO		Post IPO ⁽¹⁾	
	Number of shares	% of capital and voting rights	Number of shares	% of capital and voting rights
Auriga Partners*	2,947,777	37.50%	3,755,671	32.97%
Seventure Partners*	1,551,418	19.74%	1,767,056	15.51%
Bpifrance Investissement	2,796,440	35.58%	3,425,488	30.07%
Bpifrance Participations	-	-	1,451,612	12.74%
Total Bpifrance	2,796,440	35.58%	4,877,100	42.82%
Innovation capital*	297,530	3.79%	297,530	2.61%
Ardian France*	218,731	2.78%	218,731	1.92%
Autres Actionnaires ⁽²⁾	48,571	0.62%	53,028	0.47%
Public	-	-	421,816	3.70%
Total	7,860,467	100%	11,390,932	100%

⁽¹⁾ Taking into account the 627,239 new shares to be issued on automatic conversion on the date of the initial listing of the shares on Euronext of the convertible bonds issued by the Company on 3 February 2014 (based on a price of €5.58 per share)

⁽²⁾ Inserm Transfer, Antoine Beret and Michel Delaage

* The management companies are indirect shareholders of the Company through the funds that they manage.

Use Of proceeds

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The funds raised in the context of the IPO are intended to give TxCell additional resources to finance its activity (including working capital requirements) and its development.

The funds raised will be used mainly to:

- **support the Company's organic growth;**
- **finance research and development costs (Ovasave® phase IIb trial and Col-Treg phase I/IIa trial) and the obtention of the regulatory authorisations for Ovasave®; and**
- **develop its ASTria platform in order to expand its product range and enhance its medium- to long-term growth potential.**

Timetable of the offering – upcoming dates

April 14th, 2014	<ul style="list-style-type: none">• Beginning of trading of the Company's shares on the regulated market of Euronext in Paris in the form of undertakings to deliver shares (<i>promesses d'actions</i>) (until April 16, 2014 inclusive)
April 16th, 2014	<ul style="list-style-type: none">• Settlement-delivery of the OPO and the Global Placement
April 17th, 2014	<ul style="list-style-type: none">• Beginning of trading of the Company's shares on the regulated market of Euronext in Paris
May 9th, 2014	<ul style="list-style-type: none">• End of the stabilisation period, if any

Identification codes for TxCell shares

- **Company name** : TxCell (and « TxCell – promises » for the undertakings to deliver shares that will be tradable from April 14th to April 16th inclusive)
- **ISIN** : FR0010127662
- **Symbol** : TXCL
- **Compartment** : Compartment C
- **Sector** : 4573 – Biotech Medical Equipment (ICB classification)

Financial intermediaries



Joint Lead Managers and Joint Bookrunners



Availability of the prospectus – Copies of the prospectus, which received a visa from the AMF on March 28th, 2014 under the number 14-109, composed of the registered document (*Document de Base*) filed with the AMF

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on March 13th, 2014 under the number I. 14-008 and the securities note (*Note d'Opération*) (including a summary of the prospectus), may be obtained free of charge and upon request from TxCell - Les Cardoulines, Allée de la Nertière, 06560 Valbonne - Sophia Antipolis - France, and from the internet websites of TxCell (www.txcell.com) and the AMF (www.amf-france.org).

Risk factors – TxCell draws the public's attention to chapter 4, "Risk factors", of the *Document de Base* registered with the AMF, and to chapter 2 "Risk factors related to the Offering" of the *Note d'Opération*.



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[®] 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.

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This press release is solely an advertisement and does not constitute a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003, as amended, in particular, by Directive 2010/73/EC of the European Parliament and the Council of November 24th, 2010 and as implemented in each member State of the European Economic Area (the "Prospectus Directive"). With respect to the member States of the European Economic Area which have transposed the Prospectus Directive, no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to in this press release requiring a

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publication by TxCell of a prospectus in any member State, other than France. As a result, the shares of TxCell may not be offered or will not be offered in any member State other than France, except, pursuant to the exemptions described in article 3(2) of the Prospectus Directive, if they have been implemented by the relevant member State or in any other circumstances not requiring TxCell to publish a prospectus as provided under article 3(2) of the Prospectus Directive and/or regulations applicable in such member State.

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The prospectus registered with the Autorité des Marchés Financiers contains forward-looking statements. No guarantee is given as to these forecasts being achieved, which are subject to risks, including those described in the prospectus, and to the development of economic conditions, the financial markets and the markets in which TxCell operates.

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