Sangamo Therapeutics Logo

Sangamo and TxCell announce the completion of the acquisition by Sangamo of majority of TxCell ordinary shares

October 1, 2018

Stéphane Boissel, CEO of TxCell, joins Sangamo as Executive Vice President, Corporate Strategy

RICHMOND, Calif. and VALBONNE, France, Oct. 1, 2018 /PRNewswire/ -- **Sangamo Therapeutics, Inc.**(Nasdaq: SGMO) **and TxCell S.A.**(ENXTPA: TXCL) today jointly announced the completion by Sangamo of the acquisition of ordinary shares of TxCell, at a price of €2.58 per share in cash, representing approximately 53% of the share capital and voting rights of TxCell, as per the terms of the Share Purchase Agreement entered into on July 20, 2018 (the "**SPA**") and announced previously by TxCell and Sangamo in a joint press release dated July 23, 2018. TxCell will now operate as a subsidiary of Sangamo.

Sangamo™ THERAPEUTICS

Sangamo expects to file on October 2, 2018 a cash simplified tender offer for the purchase of all then outstanding ordinary shares of TxCell, at a price of €2.58 per share. Subject to obtaining at least 95% of the share capital and voting rights of TxCell upon completion of the simplified tender offer, Sangamo will launch a squeeze-out procedure. Following the completion of the squeeze-out procedure, Sangamo will delist TxCell. TxCell's operations will remain based in Valbonne, France.

"*We are excited to welcome our TxCell colleagues to Sangamo and together to lead the field of CAR-Treg development for immunological and autoimmune diseases,*" said **Sandy Macrae, CEO of Sangamo**. "*Gene-edited CAR-Tregs have the potential to increase the tissue-targeted efficacy and stability of Tregs, a naturally occurring subset of T-cells critical for maintaining immune homeostasis within the body. As we move to complete the final steps of this acquisition, we're looking ahead and planning to initiate the first CAR-Treg clinical trial in the solid organ transplant rejection setting in 2019.*"

Stéphane Boissel to join Sangamo

Sangamo and TxCell also announced today that Stéphane Boissel, TxCell's Chief Executive Officer, will join Sangamo as Executive Vice President, Corporate Strategy, reporting to Sandy Macrae, effective October 2, 2018. After a short transition at TxCell, Mr. Boissel will be based in Sangamo's U.S. offices and will lead the Company's strategic and commercial planning and corporate development activities.

"*We are all excited at TxCell to become part of Sangamo, which I believe is now the most advanced gene-editing company worldwide, with multiple product candidates already in clinical development and the potential to develop more. Sangamo's zinc finger nuclease technology is expected to bring enormous value to our pioneering CAR-Treg programs to treat autoimmune, inflammatory and transplantation-related disorders,*" said **Stéphane Boissel, CEO of TxCell**. "*On a personal note, I am thrilled to be joining Sangamo at such a critical juncture. It will also give me the opportunity to continue working with TxCell's team and follow the progress of its unique technology.*"

"*I'm pleased to welcome Stéphane to the Sangamo team. His strategy and finance experience and his knowledge of the immunotherapy field will be invaluable as we advance toward late stage development and commercialization,*" said **Sandy Macrae, CEO of Sangamo**.

Mr. Boissel is an experienced biotech professional who brings over 25 years of leadership experience across corporate finance, strategy and business development. Prior to his appointment as CEO of TxCell in April 2015, he served as CEO of Genclis, a molecular diagnostics company. From 2002 to 2010, he served as CFO, then EVP and CFO, of Innate Pharma SA, and from 2010 to 2014 he served as EVP and CFO of Trangene SA. Earlier in his career, Mr. Boissel worked in investment banking for Lazard, where he focused on principal investment in France, Singapore and Hong Kong. Mr. Boissel completed his undergraduate work in management and finance at the University of Lyon and Paris-Dauphine in France and received his MBA from the University of Chicago.

About the Share Purchasing Agreement

As per the SPA, Sangamo has acquired all TxCell shares owned by the following shareholders:

i. Stéphane Boissel (with the exception of his free shares that are subject to a liquidity agreement entered into with Sangamo)
ii. FCPR Auriga Ventures II,
iii. FCPR BIOAM,
iv. FCPR BIOAM 1B,
v. Bpifrance Participations,
vi. FCPR Innobio,
vii. François Meyer,
viii. Gilbert Gerber, and
ix. YA II PN, Ltd.

On July 20, 2018, following the signature of the SPA, TxCell's Board of Directors appointed HAF Audit & Conseil (represented by Mr. Olivier Grivillers) to serve as independent appraiser, in compliance with sections 261-1-I and II of the General Regulation of the AMF (the French Financial Markets Authority). The expert was in charge of issuing an opinion on the terms and conditions of the offer and in particular the fairness of the proposed share price.

About Sangamo Therapeutics, Inc.

Sangamo Therapeutics, Inc. is focused on translating ground-breaking science into genomic therapies that transform patients' lives using the Company's platform technologies in genome editing, gene therapy, gene regulation and cell therapy.

For more information about Sangamo, visit www.sangamo.com.

About TxCell S.A.

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

For more information about TxCell, visit www.txcell.com.

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 results of developments 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 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 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.

Forward-Looking Statements – Sangamo

This press release contains forward-looking statements regarding Sangamo's current expectations. These forward looking statements include, without limitation, statements related to the anticipated completion of the purchase by Sangamo of TxCell ordinary shares pursuant to the filing and completion of the cash tender offer for TxCell ordinary shares and the potential launch of a squeeze-out procedure to acquire any remaining outstanding shares, and the anticipated timing and benefits thereof; Sangamo's beliefs as to the therapeutic potential of CAR-Treg therapies; Sangamo's plans to initiate a CAR-Treg Phase 1/2 clinical trial in the solid organ transplant setting in 2019; Sangamo's potential to develop more clinical product candidates; the expectation that Sangamo's zinc finger nuclease technology will bring enormous value to TxCell's CAR-Treg programs to treat autoimmune, inflammation and transplantation-related disorders; the prospects for Sangamo to advance toward late stage development and commercialization; the intent to delist TxCell; and other statements that are not historical facts. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Factors that could cause actual results to differ include, but are not limited to, Sangamo's ability to complete the cash tender offer and squeeze-out procedure on the proposed terms and schedule, including risks and uncertainties related to the receipt of requisite AMF and other regulatory approvals; risks associated with business combination transactions, such as the risk that the acquired TxCell business will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; risks related to future opportunities and plans for the combined company, including uncertainty of the expected future clinical development and regulatory filings, financial performance and results of the combined company; the possibility that if Sangamo does not achieve the perceived benefits of the TxCell acquisition as rapidly or to the extent anticipated by financial analysts or investors, the market price of Sangamo's common stock could decline; risks and uncertainties related to initiation and completion of clinical trials, including with respect to the anticipated initiation of a CAR-Treg Phase 1/2 clinical trial in the solid organ transplant setting; Sangamo's lack of experience in CAR-Treg development and developing product candidates and technology for immunological diseases, including the risk that Sangamo may not be able to develop a CAR-Treg that can be used in patients; whether clinical trial results will validate and support the safety and efficacy of Sangamo's current and potential future clinical product candidates; Sangamo's dependence on the success of clinical trials of its lead programs; the lengthy and uncertain regulatory approval process; and Sangamo's reliance on partners and other third-parties to meet their clinical and manufacturing obligations, and Sangamo's ability to maintain strategic partnerships. Further, there can be no assurance that the necessary regulatory approvals for any of Sangamo's product candidates will be obtained or that Sangamo and its partners will be able to develop commercially viable product candidates for the treatment of immunological and other diseases. Actual results may differ from those projected in forward-looking statements due to these and other risks and uncertainties that exist in Sangamo's operations and business environments. These risks and uncertainties are described more fully in Sangamo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, as filed with the Securities and Exchange Commission. Forward-looking statements contained in this announcement are made as of this date, and Sangamo undertakes no duty to update such information except as required under applicable law.

View original content to download multimedia:http://www.prnewswire.com/news-releases/sangamo-and-txcell-announce-the-completion-of-the-acquisition-by-sangamo-of-majority-of-txcell-ordinary-shares-300721725.html

SOURCE Sangamo Therapeutics, Inc.

Sangamo Therapeutics, Inc., McDavid Stilwell, Tel: +1-510-970-6000, x219, mstilwell@sangamo.com; Sangamo Therapeutics, Inc., Varant Shirvanian, Tel: +1-510-970-6000, x205, vshirvanian@sangamo.com; Media Inquiries, John Kang, Tel: +1-312-506-5202, sangamo@hdmz.com; TxCell S.A., 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, Mathilde Bohin, Tel: +33 (0)1 44 71 98 52, txcell@newcap.eu