

Transgene Announces *Cancer Research* Publication Confirming the Potential of its Next Generation Armed Engineered Oncolytic Virus

Strasbourg, France, July 24, 2017, 5:45 p.m. CET - Transgene (Euronext Paris: TNG), a biotech company that designs and develops viral-based immunotherapies, announces that new and encouraging preclinical data on its next generation armed engineered oncolytic virus platform have been published in *Cancer Research*. The publication presents key findings of Transgene's latest improved vaccinia virus backbone expressing the Fcu1 gene, which is engineered to transform the non-cytotoxic pro-drug, flucytosine (5-FC), into 5-FU, a widely-used cancer chemotherapy.

These preclinical data further strengthen the preclinical data package of Transgene's most advanced next generation oncolytic virus, TG6002, which is expected to enter the clinic in the coming months in patients with recurrent glioblastoma.

The key results reported in the publication titled, "Immune checkpoint blockade, immunogenic chemotherapy or IFN- α blockade boost the local and abscopal effects of oncolytic virotherapy" are:

- The next generation oncolytic virus demonstrated **its ability to induce complete response in the primary tumor and immune-mediated regression of distant metastases**;
- This oncolytic virus **induced immunogenic tumor cell death and generated a systemic immune response**. This response is associated with an **increase of cytotoxic CD8⁺ T cells infiltration (particularly PD-1⁺ CD8⁺ T cells)** and a **decrease of regulatory T-cells** in the tumor;
- The **therapeutic activity of this next generation oncolytic virus was further enhanced when combined** with either **chemotherapy** or with **immune checkpoint inhibitors (ICIs)** such as anti-PD-1 or anti-CTLA-4 antibodies.

Eric Quéméneur, PhD, Executive VP, Chief Scientific Officer, Transgene, said, "*The publication of these very promising data in Cancer Research highlight the growing interest in the potential of engineered oncolytic viruses to play an important role in the treatment of cancer. Oncolytic virus drugs hold great promise given their ability to directly kill cancer cells, modulate the tumor micro-environment as well as act systemically to address distant metastases. Transgene is making significant progress in the development of its next generation of multifunctional oncolytic viruses. We believe that, armed with new enzymes, monoclonal antibodies, chemokines and cytokines, this next generation of oncolytic viruses will have the potential to transform the treatment of cancer.*"

The data in the *Cancer Research* publication was originally presented in a poster in April 2017 at the American Association for Cancer Research (AACR) annual meeting in Washington, DC. **The publication can be accessed on the [Cancer Research website](#).** *Cancer Research*, a publication from AACR, is one of the most influential peer-reviewed journals in cancer research and medicine.

Contacts

Transgene:

Lucie Larguier

Director Corporate Communications & IR
+33 (0)3 88 27 91 04

investorrelations@transgene.fr

Media contacts:

Citigate Dewe Rogerson

David Dible / Marine Perrier
+ 44 (0)20 7638 9571

transgene@citigatedr.co.uk

About Transgene

Transgene S.A. (Euronext: TNG), part of Institut Mérieux, is a publicly traded French biotechnology company focused on designing and developing targeted immunotherapies for the treatment of cancer and infectious diseases. Transgene's programs utilize viral vector technology with the goal of indirectly or directly killing infected or cancerous cells. The Company's two lead clinical-stage programs are: TG4010, a therapeutic vaccine against non-small cell lung cancer and Pexa-Vec, an oncolytic virus against liver cancer. The Company has several other programs in clinical and preclinical development, including TG4001 (HPV-positive head and neck cancers), TG1050 (chronic hepatitis B) and TG6002 (solid tumors). Transgene is based in Strasbourg, France, and has additional operations in Lyon, as well as a joint venture in China. Additional information about Transgene is available at www.transgene.fr.

Follow us on Twitter: [@TransgeneSA](https://twitter.com/TransgeneSA)

Disclaimer

This press release contains forward-looking statements, which are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated. The occurrence of any of these risks could have a significant negative outcome for the Company's activities, perspectives, financial situation, results, regulatory authorities' agreement with development phases, and development. The Company's ability to commercialize its products depends on but is not limited to the following factors: positive pre-clinical data may not be predictive of human clinical results, the success of clinical studies, the ability to obtain financing and/or partnerships for product manufacturing, development and commercialization, and marketing approval by government regulatory authorities. For a discussion of risks and uncertainties which could cause the Company's actual results, financial condition, performance or achievements to differ from those contained in the forward-looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the Document de Référence, available on the AMF website (<http://www.amf-france.org>) or on Transgene's website (www.transgene.fr). Forward-looking statements speak only as of the date on which they are made and Transgene undertakes no obligation to update these forward-looking statements, even if new information becomes available in the future.