

Transgene reports business update and Q3 2021 financial position

- **Data presented at ESMO** in September provided clinical proof of concept for the intravenous administration of Transgene's patented oncolytic virus (Invir.IO™ platform)—significantly expanding the market opportunity
- **First data from two ongoing Phase I trials of the individualized cancer vaccine TG4050** (myvac® platform) will be communicated in the second half of November 2021
- **€40.9 million in cash and cash equivalents** as of September 30, 2021, further strengthened by the €17.4 million received in October 2021 from the partial sale of Tasly BioPharmaceuticals shares
- **Financial visibility until the end of 2023**

Strasbourg, France, November 4, 2021, 5:45 p.m. CET – **Transgene (Euronext Paris: TNG), a biotech company that designs and develops virus-based immunotherapies for the treatment of cancer**, today announces its business update for the quarter ending September 30, 2021.

KEY EVENTS OF THE THIRD QUARTER 2021

In July 2021, Transgene announced its participation in PERSIST-SEQ, a new international consortium of academic and industrial leaders in the field of cancer research. This collaborative research program aims to provide the cancer research community with a new gold standard workflow for single-cell sequencing by developing and validating best practices as well as generating and analyzing high-quality data. The project aims to empower the scientific community to unravel drug resistance and develop smarter therapeutic strategies to better treat cancer and prevent resistance. PERSIST-SEQ is a five-year public-private partnership, funded by the Innovative Medicines Initiative (IMI), and led by the Onco Institute and AstraZeneca.

In September 2021, Transgene presented initial Phase I data providing clinical proof of concept for the intravenous administration of Transgene's patented oncolytic virus (Invir.IO™ platform) at the ESMO 2021 congress. These data demonstrate that the TG6002 *Vaccinia Virus*, which is the same viral backbone as the Invir.IO™ platform, can reach the tumor, replicate within its cancer cells and induce the local production of 5-FU when administered intravenously. These initial data support the feasibility of IV administration and aim to enlarge the number of solid tumors that could be addressed by Transgene's oncolytic viruses.

UPCOMING MILESTONES EXPECTED IN THE FOURTH QUARTER 2021

Transgene and BioInvent will present preclinical data on their novel dual mechanism-of-action oncolytic *Vaccinia Virus* BT-001 (Invir.IO™ platform) at the 36th Annual Meeting of the Society for Immunotherapy of Cancer (SITC 2021), which takes place on November 12–14, 2021.

The first data from the two ongoing Phase I clinical trials of the individualized cancer vaccine TG4050 (*myvac*® platform) will be communicated in the second half of November 2021. Transgene expects to communicate safety and immunogenicity (T-cell induction) data.

OPERATING INCOME

<i>In millions of euros</i>	Q3		First Nine Months	
	2021	2020	2021	2020
Revenue from collaborative and licensing agreements	0.2	0.4	1.6	2.7
Government financing for research expenditures	1.4	1.5	4.9	4.5
Other income	0.2	0.1	0.3	0.6
Operating income	1.8	2.0	6.8	7.8

During the first nine months of 2021, operating income amounted to €6.8 million compared to €7.8 million in the same period in 2020.

Revenue from collaborative and licensing agreements amounted to €1.6 million in the first nine months of 2021, compared with €2.7 million in the same period in 2020. These revenues are mainly derived from Transgene's collaboration agreement with AstraZeneca on the Invir.IO™ program, whose recognized income represents €1.5 million as of September 30, 2021. This amount corresponds to €1.0 million recognized out of the initial payment of €8.9 million (\$10 million) received in 2019 for the activity carried out over the period; the remaining corresponds to the payment of contract-defined milestones.

During the first nine months of 2021 government financing for research expenditures, mainly in the form of a research tax credit, amounted to €4.9 million, compared to €4.5 million for the same period in 2020.

CASH, CASH EQUIVALENTS AND OTHER FINANCIAL ASSETS

Cash, cash equivalents and other financial assets stood at €40.9 million as of September 30, 2021, compared to €26.3 million as of December 31, 2020. In the first nine months of 2021, Transgene's cash burn amounted to €18.7 million (excluding the net proceeds of €33.3 million from a private placement conducted in June 2021) compared to a positive €2.0 million for the same period in 2020 (including the receipt of a net amount of €18.2 million in July 2020, following the first partial sale of Transgene's stake in Tasly BioPharmaceuticals).

In October 2021, the Company's cash position was improved when it received €17.4 million following the second partial sale of Tasly BioPharmaceuticals shares signed in September 2021. Transgene still owns shares of this company, valued €18.2 million based on the price of the current share sale. This sale of Tasly BioPharmaceuticals shares led to the contractual cancellation of the €15 million credit facility with Natixis in October 2021.

Transgene has financial visibility until the end of 2023.

About Transgene

Transgene (Euronext: TNG) is a biotechnology company focused on designing and developing targeted immunotherapies for the treatment of cancer. Transgene's programs utilize viral vector technology with the goal of indirectly or directly killing cancer cells.

The Company's clinical-stage programs consist of two therapeutic vaccines (TG4001 for the treatment of HPV-positive cancers, and TG4050, the first individualized therapeutic vaccine based on the *myvac*[®] platform) as well as two oncolytic viruses (TG6002 for the treatment of solid tumors, and BT-001, the first oncolytic virus based on the Invir.IO™ platform).

With Transgene's *myvac*[®] platform, therapeutic vaccination enters the field of precision medicine with a novel immunotherapy that is fully tailored to each individual. The *myvac*[®] approach allows the generation of a virus-based immunotherapy that encodes patient-specific mutations identified and selected by Artificial Intelligence capabilities provided by its partner NEC.

With its proprietary platform Invir.IO™, Transgene is building on its viral vector engineering expertise to design a new generation of multifunctional oncolytic viruses. Transgene has an ongoing Invir.IO™ collaboration with AstraZeneca.

Additional information about Transgene is available at: www.transgene.fr

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