

PRESS RELEASE

Collectis: First-half 2014 financial results**A successful therapeutic focus
A drastic reduction of its operating expenses****As of September 30, available cash stands at €103 million**

Paris, September 30, 2014 - Collectis SA (Alternext: ALCLS.PA), an expert in developing immunotherapies based on engineered allogeneic CART cells (UCART), presents its first-half 2014 consolidated financial statements to June 30, 2014, approved by the Board of Directors at its meeting held on September 29.

- Total operating revenue is €13.8 M (as compared to €6.9 M for the first six months of 2013), i.e. an increase of 100%. Total operating revenue does not include revenue arising from the agreement signed with Pfizer, which will come into effect only from the second half of 2014.
- Operating results are notably improved, with losses limited to €2.1 M (excluding Collectis AB) as compared to €16.5 M for the first six months of 2013.
- Net results show a loss of €5 M, which is in sharp contrast to the loss recorded for the first half of 2013, which amounted to €18.5 M.
- As at the date of this release, available cash stands at €103 million.

Limited examination procedures have been applied to the summary half-year consolidated accounts to June 30, 2014. The limited examination report is currently being issued.

Group results for the first half of 2014 demonstrate the relevance of the Group's focused therapy strategy and, as a consequence, its structural reorganization undertaken in early 2013.

A successful implementation of its strategy to focus on therapeutics

- Collectis is a major player in oncology by way of its groundbreaking approach based on CART cells. With 15 years of experience of technological developments at the frontiers of science, Collectis is able to engineer T cells with TALEN™ and to develop completely new CARs (Chimeric Antigen Receptors).
- Servier and the biopharmaceutical company Pfizer are Collectis' two exclusive partners in the area of CARTs in oncology. The work of the three companies relates to a set of 33 targets (markers of cancerous cells), of which 6 are for Servier, 15 for Pfizer and 12 for Collectis.
- For each of the six product candidates potentially developed for Servier, Collectis could receive more than 105 million euros of milestone payments as well as royalties on the sales of products. Likewise, for each of the product candidates potentially developed in relation to the 15 Pfizer targets, Collectis could receive more than 145 million euros of milestone payments as well as royalties on the sales of products. In addition, Pfizer is covering all of Collectis' R&D costs incurred within the scope of its collaboration.



- With 103 million euros of cash at present and on the back of a drastic reduction in its operating costs, the impact of which is starting to be felt in the first half of 2014, Collectis is in a strong position to face the challenges of the coming years and to complete its transformation to being a market leader in the biopharmaceuticals sector. The company's cash position is likely to improve by October 28, 2014, the closing date for the exercise of the share subscription warrants issued in 2011. The exercise of these share subscription warrants could contribute an additional approximately 20 million euros to the company's cash position in case of exercise of all the warrants.
- The first-in-man clinical study with its first product UCART19 for the treatment of chronic lymphocytic leukemia (CLL) and acute lymphoblastic leukemia (ALL), will begin in the second half of 2015. Servier has an exclusive option on this product.
- Collectis' first proprietary product (outside of partnerships), UCART123 for the treatment of acute myeloid leukemias, should enter into clinical development in the course of 2016.
- Without making any forecasts, Collectis is optimistic about the offering to the general public of Scéil, dedicated to the storage of induced pluripotent stem (iPS) cells.
- The sale of Collectis AB marked the final stage of the Company's therapeutic refocusing, while strengthening its high-potential subsidiary Collectis plant sciences Inc., based in New Brighton in Minnesota.
- In 7 years, by virtue of its Tools and Services business line, Collectis has put in place the fundamentals for a worldwide reputation in genome engineering and in iPS cells. It is by means of the development of its expertise in research tools that Collectis has been successful in developing groundbreaking technology both in therapeutics and in biotechnological agriculture. A new page in the history of Collectis is being written.

Key highlights of the first 9 months of 2014

- **On February 17**, Collectis signed a strategic collaboration agreement with Servier to develop and market six product candidates, paying €7.55 M on signature and up to €105 M for each of those product candidates that might be developed.
- **On March 24**, Collectis implemented a capital increase of €20.52 M underwritten by sector-specialist institutional investors based in the United States, in particular to speed up development of its individual (non-collaborative) portfolio of CART Cell products for treating leukemias and solid tumors.
- **On March 25**, Collectis received a recommendation from the European Medicines Agency (EMA), in consultation with the European Commission, for the Collectis UCART19 product candidate in the field of adoptive immunotherapy against CD19-expressing leukemias and lymphomas. UCART19 fulfils the definition of an Advanced-Therapy medicinal Product (ATmP) and is thus eligible for Scientific Advices and Assessment from the EMA Committee for Advanced Therapies and a possible European Union centralized marketing authorization.
- **On June 5**, Collectis concluded a series of agreements with Life Technologies in connection with applications of TALEN.
- **On June 5**, Collectis signed an agreement with Accelerera (Nerviano Medical Sciences Group) to perform preclinical studies on its flagship product, UCART19.
- **On June 9**, the Company announced the signature of an agreement with CELLforCURE, Europe's largest commercial industrial facility manufacturing innovative cell therapies and a subsidiary of the LFB biopharmaceuticals group. This partnership relates to the production of clinical batches from Collectis allogeneic CART cells, with CELLforCURE being responsible for manufacturing clinical batches of product candidates for Collectis' UCART range.



- **On June 18**, Collectis and Pfizer entered into a global collaboration agreement in the field of oncology to develop immunotherapies based on engineered T cells with Chimeric Antigen Receptors (CAR-T) directed at select targets. This agreement involves an upfront payment of \$80 million and funding to cover research and development costs associated with Pfizer-selected targets and the four Collectis-selected targets within the collaboration. Collectis could receive development, regulatory and commercial milestone payments of up to €145 million per Pfizer product. Furthermore, Pfizer signed an investment contract to purchase around 10% of Collectis' capital through a reserved capital increase without preferred subscription right, and the subscription of 2,786,924 newly issued shares at a price of €9.25 per share.
- Furthermore, **on August 29**, Collectis sold its Swedish subsidiary, Collectis AB, to the Japanese company Takara Bio Inc. This operation is a continuation of its focusing on therapeutics reflected in the concentration of its business in the field of oncology.

The restructuring announced in 2013 and strategic refocusing on therapeutics and agro-industrial areas implemented over the last 18 months have significantly reduced Group charges and its cash requirements, thereby markedly enhancing its financial situation and making the Company's structure more agile, efficient and competitive.

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About Collectis

Collectis is a biopharmaceutical company focused on oncology. The company's mission is to develop a new generation of cancer therapies based on engineered T-cells. Collectis capitalizes on its 14 years of expertise in genome engineering - based on its flagship TALEN™ products and meganucleases and pioneering electroporation Pulse Agile technology - to create a new generation of immunotherapies for treating leukemias and solid tumors. Collectis' adoptive cancer immunotherapy is based on the first allogenic T-cells to express a chimeric antigen receptor (CAR) targeting acute and chronic leukemias. CAR technologies are designed to target surface antigens expressed on cancer cells. These treatments reduce the toxicity associated with current chemotherapeutics and have curative potential. Thanks to its life-science-focused pioneering genome-engineering technologies, the Collectis Group is creating innovative products in multiple fields and with various target markets. Collectis is listed on the Alternext market (ticker: ALCLS). To find out more about us, visit our web site: www.collectis.com

Disclaimer

This press release contains certain forward-looking statements concerning Collectis and its business. These forward looking statements can be identified by the use of forward looking terminology, including the terms "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Such forward-looking statements are based on assumptions that Collectis considers to be reasonable. However, there can be no assurance that the forecasts or objectives contained in such forward-looking statements will be confirmed or materialized, which forecasts and objectives are subject to numerous risks including the risks set forth in the 2013 financial annual report of Collectis (a copy of which is available on www.collectis.com) and to developments in general economic conditions, financial markets and the markets in which Collectis operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Collectis or not currently considered material by Collectis. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Collectis to be materially different from such forward-looking statements. This press release and the information that it contains do not constitute an offer to sell or subscribe for, or a solicitation of an offer to purchase or subscribe for, Collectis shares in any country.

Financial position statement as of June 30, 2014

| ASSETS (Euros '000) | June 30, 2014 | Dec 31, 2013 |
|-------------------------------|---------------|---------------|
| Goodwill | - | 1 095 |
| Intangible assets | 2 778 | 5 526 |
| Property, plant and equipment | 2 876 | 3 869 |
| Other non-current assets | 538 | 1 510 |
| Non-current assets | 6 192 | 12 001 |
| Inventories | 276 | 367 |
| Trade and other receivables | 12 935 | 12 018 |
| Cash and cash equivalent | 20 214 | 7 559 |
| Assets held for sale | 3 331 | - |
| Current assets | 36 756 | 19 945 |
| TOTAL ASSETS | 42 948 | 31 946 |

| LIABILITIES (Euros '000) | June 30, 2014 | Dec 31, 2013 |
|---|---------------|---------------|
| Share capital | 1 254 | 1 054 |
| Share premium | 152 693 | 133 244 |
| Reserves | (128 801) | (68 232) |
| Net profit (loss) for the period | (4 531) | (61 033) |
| Equity attributable to owners of the company | 20 616 | 5 032 |
| Non-controlling interests | (666) | (216) |
| Total equity | 19 949 | 4 815 |
| Loans and borrowings | 2 770 | 3 375 |
| Employees benefits | 467 | 437 |
| Non-current liabilities | 3 238 | 3 812 |
| Loans and borrowings | 1 233 | 691 |
| Trade and other payables | 14 691 | 20 174 |
| Current provisions | 1 446 | 2 454 |
| Liabilities held for sale | 2 391 | - |
| Current liabilities | 19 761 | 23 319 |
| TOTAL LIABILITIES | 42 948 | 31 946 |

Comprehensive income statement

| (Euros '000) | June 30, 2014 | June 30, 2013 |
|--|----------------|-----------------|
| Revenues | 11 078 | 2 809 |
| Other operating income | 2 765 | 4 100 |
| Total operating income | 13 843 | 6 909 |
| Costs of licensing-in | (1 407) | (960) |
| Research and development expenses | (5 261) | (11 068) |
| Selling General & Administration expenses | (9 418) | (12 455) |
| Other operating income | 141 | 1 050 |
| Other operating expenses | - | (1) |
| Operating income | (2 104) | (16 526) |
| Finance income | 161 | 273 |
| Finance expenses | (145) | (174) |
| Net finance costs | 16 | 98 |
| Income tax | - | (1 391) |
| Profit (loss) of ongoing activities | (2 088) | (17 818) |
| Profit (loss) of activities held for sale | (2 888) | - |
| Profit (loss) for the year | (4 976) | (17 818) |
| Attributable to owners of the company | (4 531) | (17 533) |
| Attributable to minority interests | (445) | (285) |
| Other elements of comprehensive income: | | |
| Exchange rate variances | (17) | (681) |
| Comprehensive income for the year | (4 993) | (18 500) |
| Attributable to owners of the company | (4 543) | (18 215) |
| Attributable to minority interests | (450) | (285) |
| Profit (loss) for the year per share: | | |
| - basic earning per share (euros) | (0,20) | (0,86) |
| - diluted earnings per share (euros) | (0,20) | (0,86) |