OSE Immunotherapeutics Receives a Grant from French Government Program "Fonds Unique Interministériel" to Explore New Cytotoxic Antibodies

Company's Monoclonal Antibody, OSE-703, to be Significant Focus of Research

NANTES, France, 14 Dec. 2017, 18:00 p.m. CET – **OSE Immunotherapeutics** (ISIN: FR0012127173; Mnémo: OSE), today announces that the Company will receive a €398,000 grant from the "Fonds Unique Interministériel" (FUI), dedicated to the financing of competitiveness cluster projects, to identify new monoclonal antibodies and therapeutic targets. This collaborative program is focused on developing innovative tests to explore and to measure the cytotoxicity of monoclonal antibodies. Out of a total project cost of €2.4 million, the FUI is providing €1.2 million to fund this research that will be conducted by OSE Immunotherapeutics, Clean Cells (leader of the consortium), INSERM (UMR1232-CNRS ERL6001, Nantes), and the MicroPICell Federative Research Structure François Bonamy (Nantes).

The collaborative research project, entitled HybridADCC, will identify novel monoclonal antibodies and develop an innovative and standardized test that measures the ability of therapeutic antibodies to destroy tumour cells (or infected cells) through a mechanism of toxicity called Antibody - Dependent Cell-mediated Cytotoxicity (ADCC).

Through this research project, OSE Immunotherapeutics will have access to a platform to identify, to develop and to validate cytotoxic antibodies targeting new product candidates in immuno-oncology. One of the product candidates to be evaluated is OSE Immunotherapeutics' cytotoxic antibody, OSE-703, currently being explored in lung cancer by Dr. Prasad Adusumilli's team at Memorial Sloan Kettering Cancer Center in New York. The HybridADCC program also will evaluate the in vitro efficacy of OSE-703 in other cancers of interest.

Bernard Vanhove, COO of OSE Immunotherapeutics, Head of R&D and International Scientific Collaborations, commented: *"As a result of this innovative program, OSE could gain new monoclonal antibodies on targets of therapeutic interest, and generate additional product candidates for clinical development in immuno-oncology, used in monotherapy or combined with a checkpoint inhibitor."*

ABOUT OSE Immunotherapeutics

Our ambition is to become a world leader in activation and regulation immunotherapies:

OSE Immunotherapeutics is a biotechnology company focused on the development of innovative immunotherapies for immune activation and regulation in the fields of immuno-oncology, autoimmune diseases and transplantation. The company has several scientific and technological platforms: neoepitopes, agonist or antagonist monoclonal antibodies, ideally positioned to fight cancer and autoimmune diseases. Its first-in-class clinical portfolio offers a diversified risk profile.

In immuno-oncology:

- **Tedopi®**, 10 combined neo-epitopes to induce specific T activation in immuno-oncology. Phase III trial in advanced NSCLC: after temporary pause of new patient accrual end of June 2017, new recruitment strategy defined in December 2017 to focus the trial on patients who failed a previous treatment with a PD-1/PD-L1 immune checkpoint inhibitor. Enrollment will resume after formal approval of the new recruitment strategy from the Competent Authorities.
  Phase II with Tedopi® in combination with an immune checkpoint inhibitor planned in advanced pancreatic cancer, in collaboration with GERCOR, a cooperative group of clinical research.

- **OSE-172** (Effi-DEM), new generation checkpoint inhibitor targeting myeloid cells via the SIRP-α receptor - In preclinical development for several cancer models. Clinical program planned end of 2018.
- **OSE-703** (Effi-3), cytotoxic monoclonal antibody against the alpha chain of IL-7R - Under a research collaboration with Memorial Sloan Kettering Cancer Center, New York.

In auto-immune diseases and transplantation:

- **FR104**, CD28-antagonist in immunotherapy - Phase 1 trial completed – For the treatment of autoimmune diseases and for use with transplantation - Licensed to Janssen Biotech Inc. to pursue clinical development. Phase 2 planned end of 2018 in rheumatoid arthritis.
- **OSE-127 (**Effi-7), interleukin receptor-7 antagonist - In preclinical development for inflammatory bowel diseases and other autoimmune diseases. Clinical phase planned end of 2018. License option agreement with Servier for the development and commercialization.

The portfolio's blockbuster potential gives OSE Immunotherapeutics the ability to enter global agreements at different stages of development with major pharmaceutical players.
Immunotherapy is a highly promising and growing market. By 2023 Immunotherapy of cancer could represent nearly 60% of treatments against less than 3% at present * and the projected market is estimated at $67 billion in 2018 **. There are more than 80 autoimmune diseases that represent a significant market including major players in the pharmaceutical industry with sales towards $10 billion for the main products. The medical need is largely unmet and requires the provision of new innovative products involved in the regulation of the immune system.

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Forward-looking statements

This press release contains express or implied information and statements that might be deemed forward-looking information and statements in respect of OSE Immunotherapeutics. They do not constitute historical facts. These information and statements include financial projections that are based upon certain assumptions and assessments made by OSE Immunotherapeutics' management in light of its experience and its perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate.
These forward-looking statements include statements typically using conditional and containing verbs such as "expect", "anticipate", "believe", "target", "plan", or "estimate", their declensions and conjugations and words of similar import.
Although the OSE Immunotherapeutics management believes that the forward-looking statements and information are reasonable, the OSE Immunotherapeutics' shareholders and other investors are cautioned that the completion of such expectations is by nature subject to various risks, known or not, and uncertainties which are difficult to predict and generally beyond the control of OSE Immunotherapeutics. These risks could cause actual results and developments to differ materially from those expressed in or implied or projected by the forward-looking statements. These risks include those discussed or identified in the public filings made by OSE Immunotherapeutics with the AMF. Such forward-looking statements are not guarantees of future performance.
This press release includes only summary information and should be read with the OSE Immunotherapeutics Reference Document filed with the AMF on 28 April 2017 under the number R.17-038, including the annual financial report for the fiscal year 2016, available on the OSE Immunotherapeutics' website.
Other than as required by applicable law, OSE Immunotherapeutics issues this press release at the date hereof and does not undertake any obligation to update or revise the forward-looking information or statements.