

OSE Pharma and Effimune announce the signing of the Merger Treaty to create OSE Immunotherapeutics

Paris and Nantes (France), 15 April 2016, 05:45 pm – OSE Pharma (ISIN: FR0012127173; Mnemo: OSE), an immuno-oncology company with a specific immunotherapy activating T lymphocytes, currently in a registration Phase 3 study, and Effimune, a biotech company specialized in immune regulation with clinical applications in autoimmunity, transplantation and immune-oncology, today announced the signing of the Merger Treaty to create OSE Immunotherapeutics, a player in the field of activation and regulation immunotherapy. The terms of the merger will be submitted for approval to the shareholders of the two companies during the next General Meetings.

The Merger Treaty, signed following announcement of the merger project on February 24, 2016, confirms the terms of the proposed transaction. The merger will be submitted for approval to the shareholders during both companies' General Meetings which will be convened on May 30, 2016 for Effimune and on May 31, 2016 for OSE Pharma.

After completion of the merger, the shareholders of OSE Pharma will hold approximately 71% of the capital of the merged entity and the shareholders of Effimune will own approximately 29%. The agreement will take the form of a merger by OSE Pharma of Effimune at the end of which the shareholders of Effimune will receive 1.93 newly issued shares of OSE Pharma (corresponding to an issuing of approximately 4 million OSE Pharma new shares) in exchange for each 1 held share of Effimune.

To reflect the change in company profile brought by the merger, it is expected that OSE Pharma will be renamed "OSE Immunotherapeutics", and the headquarters will be transferred from Paris (France) to Nantes (France), reflecting Effimune's strong academic establishment.

A Merger Prospectus (Document E) registered by the "Autorité des Marchés Financiers" (French stock exchange market regulator) and other detailed information regarding the characteristics and terms of the merger will be soon provided to the shareholders of OSE Pharma and Effimune, according to the legal and regulatory provisions. Any decision to join in the merger must be based on the full documentation regarding this intended merger, especially on the Merger Treaty posted this day on the website of the two companies, and on the Merger Prospectus which will be registered (Document E) by the "Autorité des Marchés Financiers" and published before the Extraordinary General Meetings of the two companies.

The Merger Treaty is available on the websites of the two companies: www.osepharma.com and www.effimune.com

ABOUT OSE PHARMA

OSE Pharma is a biotechnology company that designs and develops cancer immunotherapy treatments aimed at re-educating the immune system to fight cancer while preserving patients' quality of life. The Company is conducting a Phase 3 registration trial in Europe and the U.S. for its lead product, Tedopi®, in the treatment of NSCLC.

Tedopi® (OSE-2101) is a new "off-the-shelf" cancer immunotherapy approach based on OSE Pharma's proprietary Memopi® technology. This technology is based on "neo-epitopes" (small synthetic peptides chemically modified to increase the binding the HLA A2 or TCR receptors) which activate a cytotoxic T-cell response and leads the immune system to destroy cancer cells. More than 10,000 epitopes were selected to obtain a therapeutic universal T vaccine.

Tedopi® combines 10 optimized "neo-epitopes" simultaneously acting against 5 tumor-associated antigens (TAAs). These 5 antigens have been selected because they are a factor of poor prognosis in several types of cancers. The 10 "neo-epitopes" have been selected and modified to enhance their binding to HLA-A2 and TCR receptors, and trigger a stronger cytotoxic T-cell response and lead the immune system to destroy cancer cells expressing the HLA-A2 antigen or one of the targeted cancer antigens.

The Phase 3 trial is based on Phase 2 results showing an immune T-cell response significantly correlated with a survival increase, as well as on the long term survival benefit observed in highly pretreated patients with a poor prognosis. Tedopi® can also be developed in Phase 2 in combination with other immunotherapeutic products or targeted therapies. It is also considered for other oncology indications (ovary, colon, breast) for HLA-A2 positive patients. OSE Pharma is listed on Euronext Paris (ISIN: FR0012127173; Mnemo: OSE).

For more information, please visit www.osepharma.com



Suivez-nous sur Twitter @OSE_Pharma

ABOUT EFFIMUNE

Located in Nantes, France, Effimune is a biotech company specialized in immune regulation for applications in transplantation, autoimmunity and cancer immunotherapy.

The originality of Effimune's therapeutic strategy, compared to conventional immunosuppression, is the modification in the balance between effector and regulatory immune cells. The biological drugs Effimune develops are aimed at restoring the natural balance of these cells by targeting the molecular checkpoint.

The expertise of the company lies in its ability to identify new therapeutic targets and develop effective biomolecules for the pharmaceutical industry by guaranteeing the manufacture of pilot and clinical batches and by validating preclinical and clinical proofs of concept.

Effimune is a spin-off of the Nantes Institute of Transplantation Urology Nephrology-(ITUN), created in December 2007. For the development of FR104, Effimune was supported by local and regional public authorities: Loire Territories Innovation, Atlanpole Biotherapies, Bpifrance, and by the government through the Prime d'aménagement du territoire and by the European Union through the FEDER and FP7.

Effimune has signed long-lasting international collaborations. Several reference scientific articles have been published in the fields of transplantations and immunotherapy in collaboration with ITUN, Inserm, Nantes University within Atlanpole Biotherapies, University of Maryland in Baltimore (Prof. Richard N. Pierson), and Seattle's Children's Institute (Prof. L. Kean).

For more information, please visit: www.effimune.com

Contacts

OSE Pharma SA

Dominique Costantini, CEO
dominique.costantini@osepharma.com
Mob : +33 6 13 20 77 49

Alexis Peyroles, CFO & BD
Alexis.peyroles@osepharma.com
Mob : +33 6 11 51 19 77

Effimune

Maryvonne Hiance, Chairman
Tel : +33 (0) 240 412 834
Mobile : 33 (0) 680 060 183
mhiance@effimune.com

Media contacts

Citigate Dewe Rogerson
Laurence Bault / Lucie Larguier
laurence.bault@citigate.fr
+33 1 53 32 84 78

Alize RP

Florence Portejoie & Caroline Carmagnol
osepharma@alizerp.com
+33 6 47 38 90 04

Consilium Strategic Communications

Chris Gardner / Matthew Neal / Hendrik Thys
OSEPharma@consilium-comms.com
+44 (0) 20 3709 5700

Rx Communications Group, LLC

Melody Carey
mcarey@rxir.com
+ 1 917-322-2571

Acorelis

Gilles Petitot
gilles.petitot@acorelis.com
+33 (0) 620 27 65 94

Important information

This press release does not constitute and shall not be construed as an offer or the solicitation of an offer to purchase, sell or exchange any securities of OSE Pharma and Effimune. In addition, it does not constitute an offer or the solicitation of an offer to purchase, sell or exchange of securities in any jurisdiction (including the US and the United Kingdom) in which it would be unlawful or subject to registration or qualification under the laws of such jurisdiction.

In connection with the proposed transaction, the required information documents will be filed with the Autorité des Marchés Financiers ("AMF"). Investors and shareholders are strongly advised to read, when available, the information documents that have been filed with the AMF and any other relevant document that has been filed with the AMF as well as any related amendment if any and/or supplements because they will contain important information. Shareholders and investors may obtain free copies of documents filed with the AMF at www.amf-france.org.

Forward-looking statements

This press release contains information and statements that might be deemed forward-looking information and statements with respect to OSE Pharma and Effimune and the aggregate operations of both companies once the transaction would have been completed. They do not constitute historical facts. These information and statements include financial projections that are based upon certain assumptions and assessments made by OSE Pharma and Effimune's 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.

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 Pharma and Effimune's management believes that the forward-looking statements and information are reasonable, the OSE Pharma and Effimune shareholders and other investors are cautioned that the completion of such expectations is by nature subject to various risks and uncertainties many of which are difficult to predict and generally beyond the control of OSE Pharma and Effimune. 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 Pharma and Effimune with the AMF. Such forward-looking statements are not guarantees of future performance.

Neither OSE Pharma nor Effimune undertakes any obligation to update or revise the forward-looking statements and information except to the extent legally required.