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Société anonyme with a share capital of € 2,080,273.10
Registered office : 8 rue de la Croix Jarry, 75013 Paris
Paris Trade and Companies Register (RCS) 428 859 052

MANAGEMENT REPORT

FISCAL YEAR ENDING DECEMBER 31, 2017

I. MANAGEMENT REPORT

1. Situation of the Company and its subsidiaries and activities for the financial year ending December 31, 2017

Cellectis S.A. (hereinafter "Cellectis" or "we") is a limited liability company ("société anonyme") registered and domiciled in Paris, France. We are a clinical-stage biopharmaceutical company, employing our core proprietary technologies to develop products in the emerging field of immuno-oncology. Our product candidates, based on gene-edited T-cells that express chimeric antigen receptors, or CARs, seek to harness the power of the immune system to target and eradicate cancers. Our gene-editing technologies allow us to create allogeneic CAR T-cells (called "UCART"), meaning they are derived from healthy donors rather than the patients themselves. In addition to our focus on immuno-oncology, we are exploring the use of our gene-editing technologies in other therapeutic applications. Our subsidiary Calyxt Inc. use the same technologies to develop healthier food products for a growing population.

Cellectis is listed since 2007 on Euronext Growth. In March 2015, we completed a public offering of 5.5 million American Depositary Shares on the Nasdaq for gross proceeds of $ 228.2 million.

The financial statements of the Company for the year ended December 31, 2017 include Cellectis S.A. and its two subsidiaries located in the United States, Cellectis, Inc. and Calyxt, Inc (hereinafter the "Group").

As of December 31, 2017, Cellectis, S.A. owns 100% of Cellectis Inc. and approximately 79,6% of ordinary shares of Calyxt, Inc.

Until July 25, 2017, Cellectis S.A. fully owned Calyxt, Inc. On July 25, 2017, Calyxt closed its IPO with $64.4 million in gross proceeds to Calyxt from the sale of 8.050.000 shares at $8 per share, including the full exercise of the underwriter's over-allotment option and Cellectis' purchase of $20.0 million of shares in the IPO. Calyxt's shares of common stock are traded on NASDAQ under the symbol "CLXT".

The company has no branch.

Corporate Highlights for the year ending December 31, 2017

Manufacturing:

- On July 27, 2017, Cellectis and Molmed S.p.A. signed a Development and Manufacturing Agreement for the development and manufacturing of Cellectis' UCAR T-cell product candidates.

R&D:

- In January 2017, Cellectis published a study in Scientific Reports, a Nature Publishing Group journal, describing a novel approach to a CAR design with an integrated environmental signal utilizing oxygen concentration to manipulate the CAR T-cell response.

- On May 10, 2017, the U.S. patent 8,921,332, which claims the use of chimeric restriction endonucleases for directing chromosomal gene editing in cells by homologous recombination (HR), initially issued on Dec. 30, 2014, was upheld by the United States Patent and Trademark Office (USPTO) after a reexamination initiated in October 2015.

- On July 24, 2017, the European Patent Office granted patent No. EP3004337, covering a method of using RNA-guided endonucleases, such as Cas9 or Cpf1 for the genetic engineering of T-cells.

- On November 20, 2017, Cellectis announced the publication, in November 2017 in Molecular Therapy— Nucleic Acids, of a study describing the educated engineering of highly specific and efficient TAL nucleases (TALEN®) targeting PD1, a key T-cell immune checkpoint.

- On February 13, 2018, Cellectis announced the issuance of two U.S. patents - US 9,855,297 and US 9,890,393 - for the invention of certain uses of RNA-guided endonucleases, such as Cas9 or Cpf1, for the genetic engineering of T-cells. The patents came into force on January 2nd, 2018 and February 13th, 2018, respectively.

Clinical trials:

- On January 3, 2017, Cellectis announced the submission of an Investigational New Drug (IND) application to the U.S. Food and Drug Administration (FDA) requesting approval to initiate Phase 1 clinical trials of UCART123 the Company's most advanced, wholly controlled TALEN® gene edited product candidate in patients with AML and BPDCN.

- Cellectis created a Clinical Advisory Board (CAB). The CAB serves as a strategic resource to Cellectis as the Company enters the clinical development of allogeneic CAR T immunotherapies led by its wholly owned product candidate, UCART123. Experts from the fields of hematologic malignancies, immunotherapy, immunology, stem cell transplantation joined the CAB: Professors John Gribben, Koen van Besien, Kanti Rai and Catherine Thieblemont joined in January, and Catherine Bollard, Hervé Dombret, Ola Landgren, Marcela Maus and Dietger Niederweiser joined in March.

- On February 6, 2017, Cellectis received an Investigational New Drug (IND) approval from the U.S. Food and Drug Administration (FDA) to conduct Phase 1 clinical trials with UCART123, in patients with AML and BPDCN.

- On March 9, 2017, Les Laboratoires Servier, together with Pfizer, Inc. and Cellectis announced that the U.S. Food and Drug Administration (FDA) granted to Servier an Investigational New Drug (IND)

clearance to proceed in the U.S. with the clinical development of UCART19 to treat relapsed/refractory acute lymphoblastic leukemia.

- On June 27, 2017, Cellectis announced the first patient administration in the Phase I clinical study in Acute Myeloid Leukemia (AML) for its investigational product UCART123.

- On August 17, 2017, Cellectis announced that the first patient with Blastic Plasmacytoid Dendritic Cell Neoplasm (BPDCN) was dosed in Cellectis' Phase I clinical study using UCART123 at the MD Anderson Cancer Center.

- On September 4, 2017, Cellectis reported a clinical hold from the U.S. Food and Drug Administration (FDA) on both UCART123 ongoing Phase I studies in acute myeloid leukemia (AML) and blastic plasmacytoid dendritic cell neoplasm (BPDCN). The clinical hold was initiated after Cellectis reported one fatality in the BPDCN clinical trial.

- As of November 6, the FDA has lifted the clinical hold on September 4, 2017 from both Phase I trials of UCART123 in AML and in BPDCN.

- On December 12, 2017, Les Laboratoires Servier, Pfizer, Inc. and Cellectis announced intermediary results from the two Phase I clinical trials of UCART19. These first-in-human data demonstrated the safety and tolerability of UCART19, resulting in an 83% complete remission rate across the adult and pediatric patient populations with relapsed or refractory (R/R) CD19-positive B-cell acute lymphoblastic leukemia (B-ALL). These data have been presented for the 59th American Society of Hematology (ASH) Annual Meeting and Exposition in Atlanta.

Corporate:

- André Choulika presented at the 35th Annual J.P. Morgan Healthcare Conference on Monday, January 9, 2017.

- André Choulika presented at the LEERINK Partners 6th Annual Global Healthcare Conference on February 16, 2017.

- On April 27, 2017, André Choulika, was selected as a speaker for the 2017 Milken Institute Global Conference. Dr. Choulika participated as a panelist for a session titled, "Humankind vs. Cancer: The Scorecard" on Wednesday, May 3, 2017.

- Between May 10th to 13th, 2017, Cellectis presented data on its gene-edited allogeneic off-the-shelf CAR T-cell immunotherapies (UCART) at the ASGCT 20th Annual Meeting in Washington, D.C., USA.

- On June 26, 2017, at the meeting, during which more than 73% of voting rights were exercised, all the resolutions for which the management recommended a vote in favor, were adopted.

- The resolutions adopted by Cellectis' shareholders included: appointment of two new directors to the board of directors, Mr. Rainer Boehm and Mr. Hervé Hoppenot; renewal of the term of office of Director of Mr. Laurent Arthaud, Mr. Pierre Bastid and Mrs Annick Schwebig.

- During September, Cellectis participated in several conferences, including Wells Fargo Conference in Boston, Morgan Stanley Global Healthcare Conference in New York, Ladenburg Thalmann 2017 Conference in New York and Leerink Rare Disease & Immuno-Oncology Conference in New York.

- On October 4, 2017, Mathieu Simon, M.D., Executive Vice President and Chief Operating Officer, has been appointed to also serve as Interim Chief Medical Officer. In accepting this position, Dr. Simon assumes the responsibilities of Dr. Loan Hoang-Sayag, who resigned from Cellectis to pursue other professional opportunities.

- From December 9 to December 12, 2017, during the 59th American Society of Hematology (ASH), Cellectis presented three abstracts related to candidate products CAR-T "off-the-shelf" developped by the company.

- On December 4, 2017, Cellectis announced the appointments of Ms. Elsy Boglioli to the role of Executive Vice President, Strategy and Corporate Development, and Prof. Stéphane Depil, MD, PhD, to the role of Senior Vice President Research & Development and Chief Medical Officer.

Calyxt, Inc. (« Calyxt »)

- On March 9, 2017, Calyxt announced that the Company signed a technology framework agreement with Plant Bioscience Limited (PBL), pursuant to which Calyxt received an option to obtain exclusive licenses to new crops traits.

- On March 21, 2017, former Cargill executive Manoj Sahoo joined Calyxt as the Calyxt's Chief Commercial Officer.

- On May 16, 2017, Calyxt launched, under a services agreement with University of Minnesota, a field trial in United States of America for its gene edited powdery mildew-resistant spring wheat variety, representing its fourth gene-edited crop to undergo trials.

- On June 7, 2017, Joseph B. Saluri was named as Calyxt's General Counsel and Executive Vice President, Corporate Development.

- On July 25, 2017, Calyxt completed an initial public offering on the Nasdaq Global Market, selling an aggregate of 8,050,000 shares of common stock at a price of $8.00 per share (including the full exercise by the underwriters of their over-allotment option). The Company received net proceeds of approximately $58.0 million, after deducting underwriting discounts and commissions and offering expenses. As part of the IPO, Cellectis purchased 2,500,000 shares of common stock for a value of $20.0 million, which is included in the net proceeds that Calyxt received. Calyxt used $5.7 million of the proceeds from us to cover a portion of the outstanding obligations owed to Cellectis. Following the initial public offering, Cellectis owns approximately 80% of Calyxt's common stock.

- On September 6, 2017, Calyxt consummated a sale-leaseback transaction, including a lease agreement with a third-party with respect to Calyxt's lease of certain real property and improvements located at Roseville, Minnesota, for a term of twenty years with an option to extend the term for up to an additional twenty years. Under the lease agreement, Calyxt will initially pay annual base rent of $490,000 until the earlier of (i) the next day after issuance of a temporary certificate of occupancy or other permit to occupy the property by the City of Roseville and (ii) the next day after the certification of substantial completion executed by landlord's architect or contractor confirming that the work to be done on the property has been substantially completed (such date, the "Initial Term Commencement Date"). On the Initial Term Commencement Date, Calyxt will pay an estimated annual base rent of 8% of the total project cost ("Annual Base Rent") with scheduled increases in rent of 7.5% on the sixth, eleventh and sixteenth anniversary of the Initial Term Commencement Date as well as on the first day of each renewal term. In connection with the lease agreement, on September 6, 2017, Cellectis entered into a lease guaranty with landlord, whereby Cellectis guaranteed all Calyxt's liabilities,

obligations and duties under the lease agreement. The lease guaranty terminates at the end of the second consecutive calendar year in which Calyxt's tangible net worth exceeds $300 million. On November 10, 2017, Calyxt and Cellectis entered into an indemnification agreement pursuant to which Calyxt agreed to indemnify Cellectis for any obligations under Cellectis' lease guaranty, effective at such time as Cellectis owns 50% or less of Calyxt's outstanding common stock.

- On September 7, 2017, Calyxt broke ground on its new 40,000-square-foot headquarters, which will be housed on the 11-acre site in Roseville, together with state-of-the-art research labs and a test kitchen. The headquarters will be adjacent to the recently completed approximately 11,000-square-foot greenhouses.

- On September 25, 2017, Calyxt's herbicide-tolerant wheat, its third wheat product candidate, and improved oil composition canola, its first canola product candidate, advanced to Phase 1 of development. With these phase advancements, Calyxt now has a total of nine product candidates in Phase 1 development or later across its five crops: soybeans, wheat, canola, potatoes and alfalfa.

- On September 26, 2017, Calyxt presented at Ladenburg Thalmann 2017 Healthcare Conference in New York, NY.

- On October 2, 2017, the first of its two alfalfa product candidates has been designated as a non-regulated article under "Am I Regulated?" Process by Biotechnology Regulatory Services of the Animal and Plant Health Inspection Service (APHIS), an agency of the USDA. The improved quality alfalfa is the sixth Calyxt product candidate to be confirmed as a non-regulated article by the USDA including its high oleic soybean, high oleic / low linolenic soybean, powdery mildew resistant wheat, cold storable potato and reduced browning potato.

- On December 12, 2017 Calyxt signed a partnership with Farmer's Business Network, Inc (FBNSM), the independent farmer-to-farmer network, to expand the distribution and grower base of Calyxt's identity-preserved high oleic soybeans in the upper Midwest region.

Group Headcount

The headcount for the Company was 135 employees in 2017, and 122 employees in 2016.

Strategy

Our strategy is to leverage the transformative potential of our unique gene-editing technologies and expertise through our cell engineering platform that will deliver therapeutic products.

Key elements of our strategy are the following:

- **Accelerate our clinical operations** in order to accumulate data on our product candidates and prove their value. Clinical data will be the lever to confirm the efficacy and value of the allogeneic CAR T-cell approach and bring breakthrough innovation to patients.

- **Continue to leverage our cell-engineering platform** to develop additional UCART product candidates and to expand our clinical pipeline of CAR T-cell product candidates in the coming years.

- **Leverage our existing and potential future alliances to advance our research and to bring products to market**. Our strategic alliances with Pfizer and Servier for the development of CAR T-cell applications in oncology provide us with funding for research and development, and may provide milestone payments and royalties on sales. We may enter into additional strategic alliances to facilitate our development and commercialization of CAR T-cell immunotherapy products.

- **Expand our product pipeline to other therapeutic indications** with unmet medical needs. We intend to continue using our gene-editing technologies in therapeutic applications beyond immuno-oncology, including the treatment of chronic infectious diseases, autoimmune diseases and allergic diseases.

- **Utilize our gene-editing platform to develop plant products**, through our 79.3% (as of February 28, 2018) ownership in Calyxt, for the multibillion dollar agricultural-biotechnology market. Calyxt is applying our gene-editing technologies to create food products with consumer health benefits, adaptations for climate change or nutritional enhancements that address the needs of a growing population. By selecting and inactivating target genes in certain agricultural crops, we believe Calyxt can produce unique variants with consumer benefits. For example, Calyxt is developing a diversified portfolio spanning across five core crops and a multitude of product candidates, which include innovative consumer-centric product candidates as well as innovative, farmer-centric solutions.

2. Review of Financial Statements and Results

a. Cellectis' Annual Accounts

Cellectis' consolidated financial statements for the fiscal year 2017 have been prepared in accordance with the presentation rules and the evaluation methods provided for by the regulations (French GAAP for statutory accounts).

Income Statement

Our net sales amounted to €26,326,831, a decrease of 40.10% from the amount of €43,952,432 recorded in 2016. The decrease of €17,625,600 is mainly driven by the decrease of €17,695,228 in collaboration revenues with Servier and Pfizer, mainly due to impact of milestones achievements and supply of raw materials to Servier in 2016, and decrease of invoicing in research and development employee reimbursement dedicated to Servier and Pfizer, which impact revenue recognition of upfront fees already paid to Cellectis linked to these contracts.

It should be added to this amount:

- €90,098 from subsidies; and
- €320,606 in reversals of provisions and transfer of charges; and
- €3,342 from capitalized production; and
- €2,335 from other income.

As a result, our revenues amounted to €26,743,213 compared to €45,951,673 for the previous year (decrease of 41.80%).

Our operating expenses amounted to €53,455,803 compared to €49,731,811 for the previous year, and consist of:

- Purchases of raw materials and other supplies: €2,804,908
- Inventory variation €-96,343
- Other purchases and external expenses: €34,692,662
- Taxes: €253,522
- Wages: €6,910,722
- Social charges: €5,184,306
- Amortization and depreciation: €1,303,147
- Depreciation and operating provisions: €387,383
- Other expenses: €2,015,496

Operating loss amounted to €26,712,590 compared to an operating loss of €3,780,138 for the previous year.

Our financial income and financial expenses amounted respectively to €3,896,584 and €27,765,383 resulting a financial loss of €23,868,798 compared to a financial income of €1,597,049 for the previous year. The 2017 financial loss is mainly explained by the net foreign exchange expense of €14,881K and by increase in investments provision of €11,990K.

As a result, the loss before tax amounted to €50,581,388 compared to €2,183,089 for the previous year.

Our exceptional income and charges amounted respectively to €780,013 and €438,812 resulting an income from exceptional items of €341,201 compared to a loss of €-106,109 for the previous year.

Given the research tax credit amounting to €7,019,498, the result for the year was a deficit of €43,220,689 against a profit of €5,799,642 for 2016.

Balance sheet

Assets

Net intangible assets amounted to €10,770,110.

Net tangible fixed assets amounted to €2,803,177.

The "financial assets" rises to December 31, 2017 the net amount of €113,860,793 corresponding to Calyxt shares for €53,531,209, and advances related to Cellectis, Inc. for €59,623,427 and the liquidity contract for €706,157.

- Current assets amounted to €164,199,347
- Cash amounted to €151,061,851
- Prepaid charges amounted to €6,898,818
- Unrealized foreign exchange asset position amounted to €46,424.

Liabilities:

The share capital amounts to €1,798,003 on December 31, 2017 against €1,766,753 at the end of last year and premium/paid in capital amounted to €399,105,045 on December 31, 2017.

Retained earnings is a debit of €98,574,388.

"Other equity" amounts is null, as the previous year.

Provisions for risks and charges amounted to €703,575 compared to €2,197,459 on December 31, 2016.

Various positions and liabilities amounted to €38,704,530 compared to €51,715,989 for the previous year, consisting mainly of:

- Borrowing and financial debt: -
- Customer advances and prepayment: -
- Suppliers payables: €7,447,576
- Tax and social payables: €3,534,247
- Payables on fixed assets: €211,789
- Other debts: €4,895,753
- Deferred income: €21,449,410
- Unrealized foreign exchange liability position €1,165,754

Pursuant to Article L. 441-6-1 of the French Commercial Code, we specify that total suppliers payables and customers receivables are broken down according to maturity dates as follows:

	Article D. 441 I. – 1° :Received invoices not paid at the closing date whose payment is due						Article D. 441 I. – 2° : Issued invoices not paid at the closing date whose payment is due					
	0 day (Indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 day (Indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Buckets of delay in payment												
Numbers of concerned invoices	46					169	6					7
Total amount of invoices concerned (tax excluded)	1 038 318	281 408	189 786	13 176	-38 392	445 978	667 818	0	12 507	4 572	52 859	69 938
Percentage of the total amount of the purchases (tax excluded)	3%	1%	0%	0%	0%	1%						
Percentage of the sales (tax excluded)							3%	0%	0%	0%	0%	0%
B) Excluded invoices of (A) relative to debts and litigious or recorded claims												
Number of excluded invoices	0						22					
Total amount of excluded invoices	0						293 100					
C) Used reference payment times (contract employee or legal deadline - article L. 441-6 or article L. 443-1 of the Commercial law)												
Payment times used for the calculation of the delays in payment	¨ Contractual deadlines : x Legal deadlines : France -> 45 days the end of month Etranger -> 30 days						¨ Contractual deadlines : x Legal deadlines : France -> 45 days the end of month Etranger -> 30 days					

Loans granted pursuant to Article L. 511-6, 3 bis of the Monetary and Financial Code: Pursuant to Articles L. 511-6, 3 bis al. 2, R. 511-2-1-1 and R. 511-2-1-2 of the French Monetary and Financial Code, we specify that no business loan referred to in Article L. 511-6, 3 bis of the French Monetary and Financial Code has not provided by the Company during the year ended December 31, 2017.

b. Group consolidated financial statements

The consolidated financial statements for the year ended December 31, 2017, submitted to shareholder's approval, have been prepared in accordance with IFRS.

Consolidated net result

Revenues: during the years ended December 31, 2016 and 2017, we recorded in revenues respectively $44,808K and $25,188K. This decrease of $19,620K is mainly due to (i) a $19,071K decrease in collaboration revenues with Servier and Pfizer, mainly, of which $8,474K represents one-time milestone revenue received during the second quarter of 2016 with the first patient dosed in the Phase I clinical trial for UCART19, $5,998K represents decreased recognition of upfront fees already paid to Cellectis, $1,910K represents decreased research and development cost reimbursements and $2,752 K represents decreased revenue from payments by Servier for the supply of raw materials and batches of UCART19 products, partially offset by the increase of $62 K in other services and products provided to Pfizer, and (ii) a $501K decrease in other licenses revenue.

Other income: during the years ended December 31, 2016 and 2017, other income amounted to $11,637K and $8,528K. The decrease in other income of $3,109K reflects the decrease of $1,711K in research tax credit and of $1,397K in research subsidies, resulting from settlements received after termination of research programs during the last quarter of the year ended December 31, 2016.

As a result, total revenue and other operating income amounted to $33,715K, compared to $56,444K for the previous year (decrease of 40.2%).

Operating expenses amounted to $126,366K, compared with $123,746K for the previous year, and consist of the following:

• **Royalties expenses:** on 2016 and 2017, we recorded royalty expenses of respectively $1,777K and $2,620K. The increase of $844K reflects higher payments to existing license providers.

• **Research & Development expenses:** for the years ended December 31, 2016 and 2017, research and development expenses increased by $770K (from $78,458K in 2016 to $79,227K in 2017). Personnel expenses decreased by $11,076K ($48,982K in 2016 to $37,906K in 2017), primarily due to a $9,375K decrease in non-cash stock based compensation expense, and a $2,763K decrease in social charges on stock options grants, partly offset by a $1,063K increase in wages and salaries. Purchases and external expenses increased by $10,738K (from $27,720K in 2016 to $38,458K in 2017), mainly due to increased expenses related to payments to third parties participating in product development, purchases of biological raw materials, expenses related to process development and expenses associated with the use of laboratories and other facilities. Expenses in 2017 include manufacturing costs related to UCART123, UCARTCS1 and UCART22 and expenses related to UCART123 clinical trials. Other expenses increased by $1,108K mainly due to impairment of assets in 2017 related to Montvale site ($798K). Otherwise, other expenses include continuing leasing and other commitments.

• Selling, General & Administrative expenses: during the years ended December 31, 2016 and 2017, we recorded $43,413K and $44,750K, respectively, of selling, general and administrative expenses. The increase of $1,337K primarily reflects (i) an increase of $963K in personnel expenses from $33,523K to $34,486K, attributable to a $2,041K increase in wages and salaries and a $1,171K increase in non-cash stock-based compensation expense, partly offset by a decrease of $2,249K of social charges on stock options grants, and (ii) a $284K increase in other purchases and external expenses. Other expenses relate to taxes, various depreciation and amortization and other commitments amount $1,035K in 2016 and $1,129K in 2017. This increase is due to higher business taxes and higher provisions.

• **Other operating income and expense:** During the years ended December 31, 2016 and 2017, other operating income and expenses are respectively a net loss of $99K and a net income of $232K. For the year ended December 31, 2017, other operating income primarily reflects (i) a receivable related to the refund of social charges paid on Cellectis free share grants that expired without being vested for $243 K, (ii) reversals of personnel litigation for a total amount of $80K. These income is partially offset by other operating expenses for $131K related to social charges paid on former employee compensation. In 2016, other operating income includes (i) a one-off tax reimbursement, (ii) the reversal of lease incentive deferrals and (iii) reversals of reserves for personnel and commercial litigation.

Operating loss amounted $92,650K, compared to operating loss of $67,302K for the previous year.

Financial result: the financial gain amounts $46K for the year ended December 31, 2016 compared with financial loss of $11,032K for the year ended December 31, 2017.
The increase in financial income of $115K (from $7,147K in 2016 to $7,262K in 2017) was mainly attributable to an increase in fair value of financial derivative instruments and current financial assets of $3,236K and an increase in interest income of $510K, partly offset by a decrease in foreign exchange realized and unrealized gain of $3,647K. The increase in financial expenses of $11,193K (from $7,101 K in 2016 to $18,294 K in 2017), was mainly attributable to $13,534K increase in foreign exchange realized and unrealized loss, partly offset by a decrease in fair value of financial derivative instruments and other current assets of $2,730K.

Net Income (Loss) Attributable to Shareholders of Cellectis: during the years ended December 31, 2016 and 2017, we recorded a net loss attributable to shareholders of Cellectis of $67,255K (or $1.91 per share) and a net loss attributable to shareholders of Cellectis of $99,368K (or $2.78 per share), respectively. Adjusted net loss attributable to shareholders of Cellectis for the year ended December 31, 2017 was $50,443K ($1.41 per share) compared to adjusted net loss attributable to shareholders of Cellectis of $8,633 K ($0.24 per share), for the year ended December 31, 2016. Adjusted loss attributable to shareholders of Cellectis for the year ended December 31, 2017 and 2016 excludes a non-cash stock-based compensation expense of $48,925K and $58,622K, respectively.

Balance sheet

Assets

- Intangible assets amounted to $1,431K.
- Tangible fixed assets amounted to $7,226K.
- Current assets amounted to $323,221K, including €296,982K in cash and cash equivalents and current financial assets.

Liabilities

Share capital and premiums related to the share capital amounted $616,405K on December 31,2016, compared to $570,517K at the end of last year. Retained earnings amount to - $251,927K, compared to - $207,875K at the end of 2016. Shareholders' equity amounted to $285,904K, from which $266,791K are attributable to Cellectis' shareholders.

Group debt situation

Financial liabilities amounted to $34K (compared to $1,759K for the previous year), consisting exclusively of liabilities related to leases.

The sum of trade payables and other current liabilities amounted to $16,030K on December 31, 2017, compared to $14,918K the previous year.

Deferred revenues and deferred income amounted to $26,056K on December 31,2017, compared to $38,929K the previous year.

3. Principal risks and uncertainties faced by the Company - Company's use of financial instruments

The risks relating to the Company's business, the coverage of said risks and the associated insurance are described in Appendix 3 to this management report.

4. Research and development activity

The Company's research and development policy can be found in Appendix 4 to this management report.

5. Key events since the end of the fiscal year

None.

6. Employee shareholding

On the last day of the fiscal year, the Company's employee shareholding, calculated in accordance with the provisions of Articles L. 225-102 of the French Commercial Code, was 0%, it being specified that the portion of capital represented by the shares held by the Company's employees, subject to collective management (“PEE” or “FPCE”), calculated in accordance with Article L. 225-102 of the French Commercial Code was zero and that shares held directly by employees or corporate officers, following a free allocation pursuant to Article L. 225-197 of the French Commercial Code, represented 0.02% of the share capital.

7. Granting of share subscription or purchase options and free shares to company managers

We inform you that the Chief Executive Officer and the deputy Chief Executive Officer were granted stock options and free shares. Pursuant to Article L.225-185 paragraph 4 and Article L.225-197-1 II paragraph 4 of French Commercial Code, the board of directors decided that these shareholders are required to hold, registered in their own name and until the termination of their respective duties, 10% of the shares resulting from the exercise of options and/ or the acquisition of free shares, allocated by the board of directors, within the limit of a number of shares whose total value does not exceed one year of their total (fixed and variable) gross compensation.

8. Significant shareholdings in companies whose registered offices are located in France, or take-overs of such companies; sales of such shareholdings (Article L. 233-6 of the French Commercial Code)

The Company has neither acquired, nor sold any shareholding during the fiscal year.

9. Activities of subsidiaries and controlled companies

i. Calyxt Inc., wholly-owned subsidiary of Cellectis S.A. was created in March 2010, is registered in Delaware and is based in Minnesota (USA). Its objective is to leverage and adapt the Group's technology in the field of plants. In the year ended December 31, 2017, Calyxt Inc. generated sales of $508K and a loss of $25,980K.

ii. Cellectis Inc., wholly-owned subsidiary of Cellectis S.A. was created in December 2014, is registered in Delaware (USA), and is based in New-York (USA). Its objective is to carry out research and development activities on behalf of Cellectis S.A. In the fiscal year ended December 31, 2017, Cellectis, Inc. generated sales of $5,552K and a loss of $4,969K.

10. Information relating to the allocation of share capital and treasury shares – Shares buyback program

In accordance with the provisions of Article L. 233-13 of the French Commercial Code and considering the information received pursuant to Articles L. 233-7 and L. 233-12 of said code, given below is the identity of the shareholders owning, as of December 31, 2017, directly or indirectly, more than a twentieth, a tenth, three-twentieths, a fifth, a fourth, a third, half, two-thirds, eighteen-twentieths or nineteen-twentieths of the share capital or voting rights in the Company's general shareholders' meetings:

Mr. André Choulika: 2.72 % of the share capital and 4.63% of the voting rights
Mr. David Sourdive (tax home): 2.62 % of the share capital and 4.49 % of the voting rights
Fidelity Management & Research Company: 10.05 % of the capital and 8.79 % of the voting rights
Mr. Pierre Bastid: 9.17% of the capital and 8.02 % of the voting rights
Bpifrance Participations: 8.01 % of the capital and 14.01 % of the voting rights
Pfizer OTC BV: 7.84 % of the capital and 6.85 % of the voting rights

As part of the liquidity contract concluded with Natixis in 2008, Cellectis held 5,266 treasury shares as of December 31, 2017, i.e. 0.01% of the Company's capital.

Number of shares purchased and sold during 2017

As part of the liquidity contract, during the financial year ended December 31, 2017:

- 445,070 shares were purchased at an average price of €21.50 per share, and
- 450,329 shares were sold at an average price of €21.48 per share.

The Company did not buyback its treasury shares for other reasons.

11. Number and value of treasury shares held as of December 31, 2017

Considering the purchases and sales made during the fiscal year, the balance of the liquidity contract was 5,266 shares as of December 31, 2017. On this date, the value of the portfolio was €125,541.44, based on the closing price on December 31, 2017, i.e. €23.84.

The Company did not give notice to another publicly-traded company that it held more than 10% of its capital.

The Company does not hold any cross-shareholdings and has therefore not carry out any share disposals.

12.Changes in the composition of the capital during the financial year

	Number	Nominal value (euros)	Share capital (euros) (after the change)
Shares composing the share capital at the beginning of the year	**35,335,060**	**0.05**	**1,766,753.00**
Shares issued during the financial year			
Board of directors' meeting dated March 3, 2017: Increase in capital by a nominal amount of €2,500 through the issue of 50,000 shares with a nominal value of 5 cents each	50,000	0.05	1,769,253.00
Board of directors' meeting dated May 9, 2017: Increase in capital by a nominal amount of €1,520.65 through the issue of 30,413 shares with a nominal value of 5 cents each and a share premium of €389,258.10	30,413	0.05	1,770,773.65
Board of directors' meeting dated July 25, 2017: Increase in capital by a nominal amount of €25,635.80 through the issue of 512,716 shares with nominal value of 5 cents each and a share premium of €1,339,394.20	512,716	0.05	1,796,409.45
Board of directors' meeting dated November 10, 2017: Increase in capital by a nominal amount of €1,563.65 through the issue of 31,273 shares with nominal value of 5 cents each and a share premium of €637,872.81	31,273	0.05	1,797,973.10
Shares making up the share capital at the end of the fiscal year	**35,959,462**	**0.05**	**1,797,973.10**

13.Change in stock price – Risk of price fluctuation

Euronext Growth:

The security listed at €16.06 per share at the beginning of year 2017. It reached a high of €29.791 on October 31, 2017 and a low of €16.33 on January, 31 2017. The security ended the year 2017 at €23.84 per share.

During 2017, an average of 98,562 shares per day were traded on Euronext Growth, compared to approximately 101,573 shares per day in 2016.

Nasdaq:

The security listed at $17,69 per share at the beginning of year 2017. It reached a high of $35.01 on October 31, 2017 and a low of $17.52 on January, 20 2017. The security ended the year 2017 at €29.15 per share.

During 2017, an average of 160,940 shares per day were traded on the Nasdaq, compared to approximately 126,824 shares per day in 2016.

14. Summary statement of the transactions of directors and persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code on the Company's shares carried out during the fiscal year

In 2017, the following transactions were carried out by the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code:

Pierre Bastid, Director:

- January 19, 2017: Transfer of Zaka Biotech S.à r.l. (owned by Mr. Bastid) to Zaka Rendement SA (owned by Mr. Bastid) of 3,298,444 shares.
- October 6, 2017: Pledge of a securities-account held by Zaka Rendement SA (owned by Mr. Bastid) in respect with a loan and on which 3,298,944 Cellectis shares are registered. The value of the pledge is €80,494,233.60 according to the closing share price on October 6, 2017.

Mathieu Simon, VP Executif and Chief Operating Officer:

- September 12, 2017: Sale of 10,409 shares with a unit price of €22.8814.
- September 13, 2017: Sale of 6,517 shares with a unit price of €22.6366.

ALLOCATION OF INCOME

It is proposed to allocate the profit for the fiscal year ending December 31, 2017, i.e. an amount of €-43,220,689 to the "retained earnings" account, which will be reduced to -€141,795,077.

PREVIOUS DIVIDEND DISTRIBUTIONS

The Company has not paid any dividends in the past three years.

NON-TAX DEDUCTIBLE EXPENDITURES

No luxury or non-deductible expenses, referred to in Article 39-4 of the Monetary and Financial Code, were recognized in 2017.

TABLE OF RESULTS FOR THE PAST FIVE YEARS

The table referred to in Article R. 225-102 of the French Commercial Code showing the Company's results during the last five years is attached to this report as Appendix 1.

II. REPORT ON COPORATE GOVERNANCE

1. General management of company

No change occurred in 2017 in general management of company. André Choulika combines the functions of Chairman and Chief Executive Officer since his appointment as Chairman of the Company on June 21, 2011. David Sourdive is Deputy Chief Executive Officer.

2. Information regarding the directors

The terms of office and duties performed by these directors in any companies are listed below:

Name	Other current terms of office	
	Company	**Terms of office**
André Choulika Chairman of the Board of Directors and Chief Executive Officer	Calyxt, Inc.	Chairman
	Cellectis, Inc.	Chairman
David Sourdive Director and Deputy Chief Executive Officer	MEDILS	Director
	Eukarÿs S.A.S.	Director
	Omics S.A.S.	Director
Alain Godard Independent Director	SARL Godard et CO	Manager
	Calyxt, Inc.	Administrateur
Laurent Arthaud Independent Director	Adocia S.A.S.	Director
	Sapring Vision SAS	Director
	TxCell	Director
	Kurma Life Sciences	Director
	Calyxt, Inc.	Director
	Aledia	Director
Annick Schwebig Independent Director	Inventiva Pharma	Director
	Inserm-Transfert S.A.	Director
	B Cell Design	Director
Jean-Marie Messier Independent Director	Rentabiliweb Group	Director

Name	Other current terms of office	
	Company	**Terms of office**
Pierre Bastid Independent Director	Pharnext S.A.S	Director
	Hougou Development S.A.	Director
	Hougou Finance S.A.	Director
	Shango S.A.	Director
	Evok	Director
	Nepteam S.A.S.	Director
	Louise 342-344 S.A.	Director
	Hebioso S.A.	Chairman of the board of directors
	Casino Royal S.A.	Director
Hervé Hoppenot	Incyte, Inc.	Chairman
Rainer Boehm	Rohner AG	Director
	Humanigen, Inc.	Director

While we are not under such obligation, we report the total compensation paid by the Company and its affiliates in the meaning of Article L. 223-16 of the French Commercial Code, to the Company's corporate officers during 2017:

Director	Salary (gross)	Compensation	Fees (including taxes)	Reimbursement of expenses	options granted in 2017	Other warrants and shares held as of December 31, 2017
Executive Directors						
A. Choulika Déc-1999	NA	Total: 508,226	0	0	135,000	Shares: 977,074 BSPCE (employee warrants): 0
D. Sourdive Déc-2000	Total: 312.670	0	0	0	80,000	Shares:268 535 BSPCE (employee warrants): 0
Non-executive directors						
A. Godard Nov-2007	NA	0	30,000	4,086	0	Shares: 21,549 BSA[1]: 220,175
L. Arthaud Oct-2011	NA	0	0	0	0	Actions : 0 BSA : 0
A. Schwebig Oct-2011	NA	0	0	0	0	Actions : 1,940 BSA : 200,175
P. Bastid Oct-2011	NA	0	0	0	0	Actions : 3,298,944 BSA : 220,175
JM Messier Mai-2015	NA	0	0	0	0	Actions : 0 BSA : 180,175
H. Hoppenot 2017	NA	0	0	887	0	Actions : 0 BSA : 40,000

R. Boehm 2017	NA	0	0	0	0	Actions : 0 BSA : 40,000

[1] Non-employee warrant giving right to one ordinary share per warrant.

We remind that the board of directors decided, during its meeting held on September 4, 2014, to grant to Mr. André Choulika and Mr. David Sourdive, a severance fee under the following conditions:

Mrs. André Choulika, Chairman and CEO, and Mr. David Sourdive, Deputy CEO, will each receive a severance fee corresponding to 24 months of gross salary or gross compensation (as applicable) with the addition of an amount equal to the maximum bonus X 1,5. In addition, the concerned individual will receive the applicable legal and conventional indemnification. These severance fee will be paid to each individual in case of revocation, non-renewal, or dismissal of his functions without cause within the meaning of the French Labor Code, occurring within a period of 12 months following a change of control of the Company. This severance fees will be also due in case of resignation occurring during the above-mentioned period of 12 months, and following a significant change in his functions or compensation.

We precise that the Company did not implement a complementary pension provision to the benefit of its corporate officers.

REGULATED AGREEMENTS

Please refer to the Statutory Auditors' special report on the regulated agreements referred to in Articles L. 225-38 and seq. of the French Commercial Code.

We also inform you that no agreement has been concluded during the previous period ended December 31, 2017, between a significant officer or shareholder of the Company and a subsidiary of the Company.

DELEGATIONS FOR CAPITAL INCREASES

In accordance with the provisions of Article L. 225-100, paragraph 4, of the French Commercial Code, a summary table of the delegations of authority and powers granted by the General Shareholders' Meeting to the Board of Directors for increasing the capital pursuant to the provisions of Articles L. 225-129-2 and L. 225-129-2 of said Code is attached to this report as Appendix 2.

The board of directors

APPENDIX 1

TABLE OF RESULTS FOR THE PAST FIVE YEARS - CELLECTIS SA

	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017
Capital at the end of the financial year					
Share capital	1 054 116,00	1 472 336,00	1 758 391,00	1 766 753,00	1 798 003,10
Number of ordinary shares	21 082 320,00	29 446 721,00	35 178 614,00	35 335 060,00	35 960 062,00
Number of priority dividend shares without voting rights	-	-	-	-	-
Number of shares created:					
- through conversion of bonds	-	-	-	-	-
- through subscription right	-	-	-	-	-
Operations and results					
Revenues	11 683 480,00	22 706 204,00	52 671 168,00	43 952 432,00	26 326 831,00
Pre-tax earnings, shareholding, net amortization and depreciation	- 11 552 344,00	- 35 568 313,00	15 886 122,00	- 190 401,00	- 38 673 811,00
Income tax (Research Tax Credit)	- 2 980 191,00	- 3 772 262,00	- 5 038 754,00	- 8 088 839,00	- 7 019 498,00
Employee shareholding	-	-	-	-	
Post-tax earnings, shareholding, amortization an depreciation	- 68 475 619,00	2 831 531,00	11 370 668,00	5 799 641,00	- 43 220 689,00
Distributed earnings	-	-	-	-	
Earning per share					
Post-tax earnings, shareholding, before amortization and depreciation	- 0,41	- 1,18	0,59	0,22	- 0,88
Post-tax earnings, shareholding, amortization and depreciation	- 3,25	0,10	0,32	0,16	- 1,20
Dividend allocated	-	-	-	-	-
Personnel					
Average headcount	76,00	67,00	80,00	79,00	81,00
Payroll amount	4 994 514,00	6 725 824,00	6 547 826,00	7 295 979,00	7 816 013,71
Amount of the sums paid as employee benefits (Soc. Security, social Welfare)	-	3 362 441,00	16 575 854,00	9 565 908,93	5 170 634,41

APPENDIX 2
Table of the delegations granted to the Board of Directors for increasing the capital

Delegation granted by the shareholders' meeting held on May 17, 2016	Period of validity/ date of expiry	Ceiling (nominal value)	Implemented in 2017
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in the future through the issuance of ordinary shares or any marketable securities with the waiver of preemptive subscription rights in favor of a category of persons meeting specified characteristics: any bank, financial services intermediary or member of a banking syndicate undertaking to guarantee (underwrite) the execution of the share capital increase or any issue likely to lead to an increase in the share capital in the future, which may be completed by virtue of this delegation.	18 months / November 17, 2018 **This delegation was replaced by the delegation granted under the 13th resolution of the shareholders meeting of June 26, 2017**	€1,758,930	The board of directors did not use this delegation in the previous year
Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital through the issuance of ordinary shares or any marketable securities with the waiver of preemptive subscription rights of shareholders in favor of a category of persons underwriting the take-up of equity securities of the Company likely to result therefrom within the framework of a line of equity financing.	18 months / November 17, 2017 **This delegation was replaced by the delegation granted under the 14th resolution of the shareholders meeting of June 26, 2017**	€879,465	The board of directors did not use this delegation in the previous year
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in future through the issuance of ordinary shares or of any securities giving access to the share capital, while maintaining preemptive subscription rights.	26 months / July 17, 2018 **This delegation was replaced by the delegation granted under the 15th resolution of the shareholders meeting of June 26, 2017**	€1,758,930	The board of directors did not use this delegation in the previous year

Delegation granted by the shareholders' meeting held on May 17, 2016	**Period of validity/ date of expiry**	**Ceiling (nominal value)**	**Implemented in 2017**
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in the future through the issuance of common shares and any securities, with the waiver of preemptive subscription rights via a public offering.	26 months / July 17, 2018 **This delegation was replaced by the delegation granted under the 16th resolution of the shareholders meeting of June 26, 2017**	€1,758,930	The board of directors did not use this delegation in the previous year
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in the future through the issuance of ordinary shares or any marketable securities, with the waiver of preemptive subscription rights via an offering pursuant to paragraph II of Article L. 411-2 of the Monetary and Financial Code.	26 months / July 17, 2018 **This delegation was replaced by the delegation granted under the 17th resolution of the shareholders meeting of June 26, 2017**	€879,465 (within the limit of 20% of the share capital)	The board of directors did not use this delegation in the previous year
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the amount of each of the issuances, with or without preemptive subscription rights, that might be agreed by virtue of the aforementioned delegations.	26 months / July 17, 2018 **This delegation was replaced by the delegation granted under the 18th resolution of the shareholders meeting of June 26, 2017**	15% of the initial issuance	The board of directors did not use this delegation in the previous year
Delegation of authority to be granted to the Board of Directors to increase the share capital through the incorporation of premiums, reserves, profits or other funds.	26 months / July 17, 2018 **This delegation was replaced by the delegation granted under the 20th resolution of the shareholders meeting of June 26, 2017**	€2,000,000	The board of directors did not use this delegation in the previous year

Delegation granted by the shareholders' meeting held on May 17, 2016	**Period of validity/ date of expiry**	**Ceiling (nominal value)**	**Implemented in 2017**
Authorization to be given to the Board of Directors to grant options to subscribe to or to purchase ordinary shares in the Company	38 months / July 17, 2019 **This delegation was replaced by the delegation granted under the 21st resolution of the shareholders meeting of June 26, 2017**	3,417,861 options giving right to 3,417,861 shares	The board of directors did not use this delegation in the previous year
Authorization to be given to the Board of Directors for the purpose of granting ordinary shares in the Company free of charge	36 months / July 17, 2018 **This delegation was replaced by the delegation granted under the 22nd resolution of the shareholders meeting of June 26, 2017**	3,417,861 shares	The board of directors did not use this delegation in the previous year

Delegation granted by the shareholders' meeting held on May 17, 2016	**Period of validity/ date of expiry**	**Ceiling (nominal value)**	**Implemented in 2017**
Delegation of authority to be granted to the board of directors to issue and grant share warrants to (i) members and non-voting members (*censeurs*) of the Company's board of directors in office on the date the warrants are granted who are not employees or senior executives of the Company or one of its subsidiaries or (ii) persons who have entered into a services or consultants contract with the Company or with one of its subsidiaries or (iii) members of any committee which the board or of directors has set up or could set up who are not employees or directors of the Company or of one of its subsidiaries, -	18 months / November 17, 2017 **This delegation was replaced by the delegation granted under the 23rd resolution of the shareholders meeting of June 26, 2017**	2,941,972 warrants giving right to 2,941,972 shares	The board of directors did not use this delegation in the previous year
Delegation of authority to be granted to the board of directors for the purpose of issuing warrants to subscribe to and/or acquire redeemable shares (*BSAAR*) or share subscription warrants - with a waiver of the preferential subscription rights in favor of the following category of beneficiaries: employees and corporate officers of the Company and its subsidiaries	18 months / November 17, 2017 **This delegation was replaced by the delegation granted under the 24th resolution of the shareholders meeting of June 26, 2017**	5,883,944 BSAAR giving right to 5,883,944 shares	The board of directors did not use this delegation in the previous year

Delegations granted by the General Shareholders' Meeting dated June 26, 2017	**Period of validity/ date of expiry**	**Ceiling (nominal value)**	**Implemented in 2016**
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in the future through the issuance of ordinary shares or any marketable securities with the waiver of preemptive subscription rights in favor of a category of persons meeting specified characteristics: any bank, financial services intermediary or member of a banking syndicate undertaking to guarantee (underwrite) the execution of the share capital increase or any issue likely to lead to an increase in the share capital in the future, which may be completed by virtue of this delegation.	18 months / November 26, 2018	€1,770,773.65	The board of directors did not use this delegation in the previous year.
Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital through the issuance of ordinary shares or any marketable securities with the waiver of preemptive subscription rights of shareholders in favor of a category of persons underwriting the take-up of equity securities of the Company likely to result therefrom within the framework of a line of equity financing.	18 months / December 26, 2018	€885,386	The board of directors did not use this delegation in the previous year.
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in future through the issuance of ordinary shares or of any securities giving access to the share capital, while maintaining preemptive subscription rights. -	26 months / August 26, 2019	€1,770,773.65	The board of directors did not use this delegation in the previous year.
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in the future through the issuance of common shares and any securities, with the waiver of preemptive subscription rights via a public offering.	26 months / August 26, 2019	€1,770,773.65	The board of directors did not use this delegation in the previous year.

Delegations granted by the General Shareholders' Meeting dated June 26, 2017	**Period of validity/ date of expiry**	**Ceiling (nominal value)**	**Implemented in 2016**
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital immediately or in the future through the issuance of ordinary shares or any marketable securities, with the waiver of preemptive subscription rights via an offering pursuant to paragraph II of Article L. 411-2 of the Monetary and Financial Code.	26 months / August 26, 2019	€885,386 (within the limit of 20% of the share capital)	The board of directors did not use this delegation in the previous year.
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the amount of each of the issuances, with or without preemptive subscription rights, that might be agreed by virtue of the aforementioned delegations.	26 months / August 26, 2019	15% of the initial issuance	The board of directors did not use this delegation in the previous year.
Delegation of authority to be granted to the Board of Directors to increase the share capital through the incorporation of premiums, reserves, profits or other funds.	26 months / August 26, 2019	€2,000,000	The board of directors did not use this delegation in the previous year.
Authorization to be given to the Board of Directors to grant options to subscribe to or to purchase ordinary shares in the Company	38 months / August 26, 2020	3,541,547 options giving right to 3,541,547 shares	1,220,000 options have been granted by the board of directors on October 11, 2017
Authorization to be given to the Board of Directors for the purpose of granting ordinary shares in the Company free of charge.	38 months / August 26, 2020	3,541,547 shares	The board of directors did not use this delegation in the previous year.

Delegations granted by the General Shareholders' Meeting dated June 26, 2017	**Period of validity/ date of expiry**	**Ceiling (nominal value)**	**Implemented in 2016**
Delegation of authority to be granted to the Board of Directors to grant share warrants giving rights to subscribe to ordinary shares in the Company - with waiver of preemptive subscription rights in favor of a category of persons meeting specified characteristics [the voting and non-voting members of the Board of Directors of the Company in office on the date the BSA are awarded who are not employees or senior executives of the Company or one of its subsidiaries or (ii) persons bound to the Company or one of its subsidiaries by a services or consultant contract or (iii) members of any committee which the Board of Directors has set up or could set up who are not employees or senior executives of the Company or one of its subsidiaries].	18 months / December 26, 2018	2,833,237 warrants giving right to 2,833,237 shares	240,000 non-employees warrants have been granted by the board of directors on October 11, 2017
Delegation of authority to be granted to the Board of Directors for the purpose of issuing warrants to subscribe to and/or acquire redeemable shares (BSAAR) or share subscription warrants - with waiver of preemptive subscription rights in favor of the following category of beneficiaries: employees and corporate officers of the Company and its subsidiaries.	18 months / December 26, 2018	5,312,320 BSAAR giving right to 5,312,320 shares	The board of directors did not use this delegation in the previous year.
Authorization to be given to the Board of Directors for the purpose of granting preferred shares in the Company free of charge, in favor of employees and/or corporate officers of the Company and its subsidiaries, entailing the waiver by shareholders of their preemptive subscription rights.	38 months / August 26, 2020	885,386 preferred shares giving right to 885,386 ordinary shares	The board of directors did not use this delegation in the previous year.

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APPENDIX 3

Information on the risk factors that may affect company business and financial performance is included in Cellectis' Annual Report on Form 20-F for the year ended December 31, 2017 and subsequent filings Cellectis makes with the Securities Exchange Commission from time to time.

APPENDIX 4

Research and development activity and the positioning of the Group

We are a clinical stage biotechnological company, employing our core proprietary technologies to develop best-in-class products in the field of immuno-oncology. Our product candidates, based on gene-edited T-cells that express chimeric antigen receptors, or CARs, seek to harness the power of the immune system to target and eradicate cancer cells. We believe that CAR-based immunotherapy is one of the most promising areas of cancer research, representing a new paradigm for cancer treatment. We are designing next-generation immunotherapies that are based on gene-edited CAR T-cells. Our gene-editing technologies allow us to create allogeneic CAR T-cells, meaning they are derived from healthy donors rather than the patients themselves. We believe that the production of allogeneic CAR T-cells will allow us to develop cost-effective, off-the-shelf products that are capable of being cryopreserved, stored and distributed worldwide. Our gene-editing expertise also enables us to develop product candidates that feature additional safety and efficacy attributes, including control properties designed to prevent them from attacking healthy tissues, to enable them to tolerate standard oncology treatments, and to equip them to resist mechanisms that inhibit immune-system activity. In addition to our focus on immuno-oncology, we are exploring the use of our gene-editing technologies in other therapeutic applications, as well as to develop healthier food products for a growing population.

Cancer is the second-leading cause of death in the United States and accounts for one in four deaths. Immuno-oncology seeks to harness the power of the body's immune system to target and kill cancer. A key to this effort is a type of white blood cell known as the T-cell, which plays an important role in identifying and killing cancer cells. Unfortunately, cancer cells often develop mechanisms to evade the immune system. CARs, which are engineered receptors that can be expressed on the surface of T-cells, provide the T-cells with a specific targeting mechanism, thereby enhancing its ability to seek, identify, interact with and destroy tumor cells bearing a selected antigen. Research and development of CAR T-cell immunotherapies currently focuses on two approaches: autologous and allogeneic therapies. Autologous CAR T-cell immunotherapies modify a patient's own T-cells to target specific antigens that are located on cancer cells. This type of therapy requires an individualized immunotherapy product for each patient and is currently being tested in clinical trials by several academic institutions, and biotechnology and pharmaceutical companies. In contrast, an allogeneic CAR T-cell immunotherapy is an approach by which a cancer patient is infused with a mass-produced, off-the-shelf immunotherapy product derived from a healthy T-cell donor. Our initial focus is on developing allogeneic treatments, and we believe that we are the leading company pursuing this approach.

Gene editing is a type of genetic engineering in which DNA is inserted, deleted, repaired or replaced from a precise location in the genome. The most fundamental challenge of gene editing is the need to specifically and efficiently target a precise DNA sequence within a gene. Our proprietary nuclease-based gene-editing technologies, combined with 18 years of genome engineering experience, allow us to edit any gene with highly precise insertion, deletion, repair and replacement of DNA sequences. Our nucleases, including a particular class of proteins derived from transcription activator-like effectors act like DNA scissors to edit genes at precise target sites and allow us to

design allogeneic CAR T-cells. Our patented PulseAgile electroporation technology allows us to efficiently deliver our clinical grade nucleases into human cells while preserving cell viability, making it particularly well-suited for a large-scale manufacturing process. We believe these technologies will enable our clinical grade drug therapeutic products to be manufactured, cryopreserved, stored, distributed broadly and infused into patients in an off-the-shelf approach.

We are developing products internally and through strategic alliances with Pfizer and Servier. We believe that our alliances with Pfizer and Servier have validated our technology platform, our strong expertise in the allogeneic CAR T-cells field and the strength of our intellectual property portfolio.

In 2016, Servier commenced two Phase I clinical studies for UCART19, one in adult Acute Lymphoblastic Leukemia (ALL), the CALM study, and one in pediatric ALL, the PALL study. The CALM study is commenced in the United Kingdom, the United States, and France, and the PALL study is commenced in the United Kingdom, Belgium and France. We refer in this Annual Report to the CALM and the PALL studies, collectively, as the UCART19 Clinical Studies. In November 2015, when we exclusively licensed the rights to UCART19 to Servier, Servier also announced that it had granted Pfizer the exclusive rights for the development and the commercialization of UCART19 in the United States. Consequently, Servier's CALM study in the United States is conducted in collaboration with Pfizer. In addition to early data presented by Servier and Pfizer during a meeting at the National Institutes of Health's Recombinant DNA Advisory Committee (or "RAC") held on December 14, 2016, in December 2017, Servier presented intermediate results from the UCART19 Clinical Studies during the American Society for Hematology (ASH) annual conference. Such intermediate results show 83% complete remission rate across the two studies: five out of seven patients achieving minimal residual disease (MRD) negativity in the CALM study at 28th day after the infusion and all five children achieving MRD negativity in the PALL study at the 28th day after the infusion. Additional data will be presented on March 21, 2018 during the European Society for Blood and Marrow Transplantation Annual Meeting.

With respect to UCART123, we obtained the unanimous approval of the RAC on December 14, 2016 to start two proposed studies in the United States. In December 2016, we submitted an Investigational New Drug (IND) application for UCART123 with respect to two proposed Phase I studies to be conducted, one in Acute Myeloid Leukemia (AML) and one in Blastic Plasmacytoid Dendritic Cell Neoplasm (BPDCN). In February 2017, the FDA approved the IND and the first patients were enrolled during 2017. Due to a death in the BPDCN study, the FDA placed a clinical hold on both trials in September 2017 which was lifted by the FDA in November 2017, based on revised protocols. The Phase I clinical study in AML is performed by Weill Cornell and MD Anderson Cancer Center, and the Phase I clinical study in BPDCN is performed by MD Anderson Cancer Center. We refer in this Annual Report to the AML and the BPDCN studies, collectively, as the UCART123 Clinical Studies.

Additionally, we are pursuing proprietary pre-clinical programs (for UCARTCS1, for UCART22, and for other UCART product candidates). Our objective is to file, directly or indirectly, one Investigational New Drug, or IND, application (or foreign equivalent), per year from our maturing product candidates portfolio.

Our vision in the biopharmaceutical industry is to continue to leverage the potential of gene editing to deliver revolutionary products that address unmet medical needs. Our initial focus is to apply our leadership in gene-editing technology to develop and commercialize best-in-class allogeneic CAR T-cell therapeutic products in the area of immuno-oncology.

Until July 2017, we fully owned Calyxt, Inc. On July 25, 2017, Calyxt closed its initial public offering on the Nasdaq Global Market, selling an aggregate of 8,050,000 shares of common stock at a

price of $8.00 per share (including the full exercise by the underwriters of their over-allotment option). The Company received net proceeds of approximately $58.0 million, after deducting underwriting discounts and commissions and offering expenses. As part of the IPO, we purchased 2,500,000 shares of common stock for a value of $20.0 million, which is included in the net proceeds that Calyxt received. Calyxt used $5.7 million of the proceeds from us to cover a portion of the outstanding obligations owed to Cellectis. As of December 31, 2017, Cellectis owns approximately 79.7% of Calyxt's common stock. In connection with Calyxt's initial public offering, we and Calyxt entered into certain agreements that related to our relationship with Calyxt prior to the IPO or that provide a framework for our ongoing relationship with Calyxt. Calyxt is focused on using TALEN gene editing technology to provide healthier food products for a growing population across the world.

Immunotherapy

The promise of immuno-oncology rests on the ability to cause the immune system to recognize and destroy tumor cells that otherwise escape immune surveillance. Recent advances in immuno-oncology have shown that exploiting the ability of the immune system to fight tumor cells could potentially cure certain cancers. Based on these advances, immuno-oncology has become a new frontier for treatment and we believe it is one of the most promising fields of development in oncology.

Our platforms and portfolios of proprietary technologies

TALEN—Proprietary Gene-editing Technology

The flagship nuclease structure we use for gene editing is based on a class of proteins derived from transcription activator-like effectors, or TALE. TALEN products are designed by fusing the DNA-cutting domain of a nuclease to TALE domains, which can be tailored to specifically recognize a unique DNA sequence. These fusion proteins serve as readily targetable "DNA scissors" for genome engineering applications that enable us to perform targeted genome modifications such as sequence insertion, deletion, repair and replacement in living cells.

We believe that the key benefits of the TALEN technology are:

- **Precision**. It is possible to design a TALEN that will cleave at any selected region in any gene, giving us the ability to achieve the desired genetic outcome with any gene in any living species.

- **Specificity and Selectivity**. TALEN may be designed to limit its DNA cleavage to the desired sequence and to reduce the risk of cutting elsewhere in the genome. This parameter is essential, especially for therapeutic applications, because unwanted genomic modifications potentially could lead to harmful effects for the patient. In addition, gene editing requires only a transient presence of TALEN, thus preserving the integrity and functionality of the T-cell's genome.

- **Efficiency**. A large percentage of cells treated by the nuclease bear the desired genomic modification after treatment is completed. In our routine gene-editing processes, around 70% of the T-cells treated by TALEN to inactivate one gene copy bear the desired genomic modification. We believe TALEN's high efficiency will be important to the cost-effectiveness of a manufacturing process involving the generation of gene-edited T-cells.

PulseAgile – Electroporation technology

In order to perform gene editing, we use our proprietary PulseAgile electroporation technology to introduce nucleases inside the target T-cell where they can access the cell's DNA. Electroporation allows messenger RNA, or mRNA, molecules coding for the nuclease to enter into the cell, where it is translated into the nuclease protein that can cut into the cell's DNA. The mRNA molecules are rapidly degraded by the cell, which means that the nuclease is only expressed for a short time.

PulseAgile electroporation uses a unique electrical field wave-form that, in combination with a proprietary buffer solution, enables molecules, such as nucleases, to enter efficiently into the cell while maintaining a high percentage of viable cells. PulseAgile technology is particularly effective due to the shape of the electrical field that includes high voltage peaks, which are optimized to create transient holes in the cell membrane, followed by lower voltage pulses that help mRNA (for example TALEN-encoding mRNA) migrate into the cells. In addition, PulseAgile is optimized to preserve high cell viability and thus suited for large-scale manufacturing.

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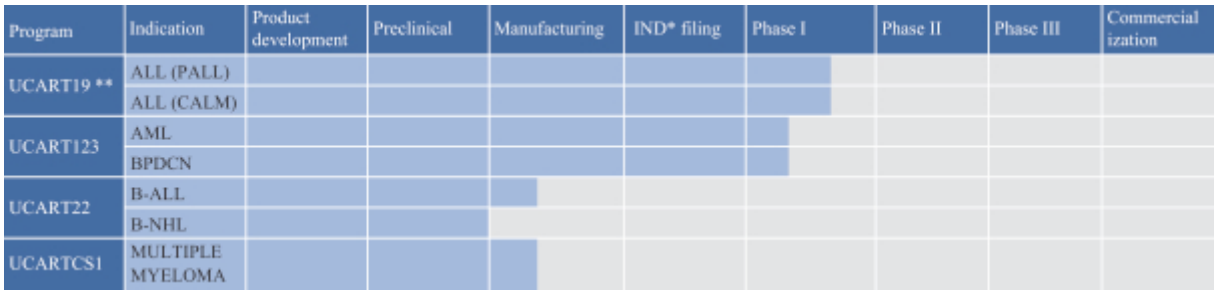
UCART Pipeline

We are developing a series of product candidates for advanced hematologic cancers.

Our lead immuno-oncology product candidates, which we refer to as Universal CAR T-cells (UCARTs), are allogeneic CAR T-cells engineered to be used as an "off-the-shelf" treatment for any patient with a particular cancer type. Each UCART product candidate targets a selected antigen expressed on tumor cells and bears specific engineered attributes, such as inhibition of alloreactivity and compatibility with specific medical regimens that cancer patients may undergo. UCART is the first therapeutic product line that we are developing with our gene-editing platform to address unmet medical needs in oncology. We are focusing our initial internal pipeline in the hematologic cancer space, targeting diseases with high unmet needs such as acute lymphoblastic leukemia (ALL), acute myeloid leukemia (AML), blastic plasmacytoid dendritic cell neoplasm (BPDCN), multiple myeloma (MM) and different types of lymphomas. In December 2016, we filed an IND for our lead product candidate, UCART123 in AML and in BPDCN and in February 2017, we received FDA approval to initiate UCART123 Clinical Studies. All of our other product candidates are currently in the late pre-clinical / early manufacturing phase, and the following chart highlights some of these product candidates:



* or foreign equivalent
** UCART19 is exclusively licensed to Servier and under a joint clinical development program between Servier and Pfizer.

Our Strategic Alliances

We have signed collaboration agreements with Pfizer and Servier, which we believe validate our research and approach to CAR-T. Our strategic alliances include potential milestone payments to us of up to $3.9 billion and royalties on future sales.

Calyxt

Summuray of the applications of Our Technology in Agriculture

Calyxt was incorporated in the State of Delaware in the United States in 2010. Calyxt is a consumer-centric, food- and agriculture-focused company that is combining its leading gene-editing technology and technical expertise with an innovative commercial strategy to pioneer a paradigm shift to deliver healthier food ingredients for consumers and agriculturally advantageous traits for farmers. Before its initial public offering, which closed on July 25, 2017, Calyxt was a wholly owned subsidiary of ours. As of December 31, 2017, we owned approximately 79.7% of Calyxt's outstanding common stock. Calyxt's common stock is listed on the Nasdaq market under the ticker symbol "CLXT".

Calyxt's commercial strategy is centered on two core elements: developing healthier specialty food ingredients to enable the food industry to address evolving consumer trends and developing agriculturally advantageous traits, such as herbicide tolerance, for farmers. Its first product candidate, which is expected to be commercialized by the end of 2018, is a high oleic soybean designed to produce a healthier oil that has increased heat stability with zero trans fats. Among Calyxt's other product candidates are high fiber wheat and herbicide tolerant wheat. We believe each of these three Calyxt product candidates addresses a multibillion dollar market opportunity. Moreover, while the traits that enable these characteristics may occur naturally and randomly through evolution—or under a controlled environment through traditional agricultural technologies—those processes are imprecise and take many years, if not decades. Calyxt's technology enables it to cost effectively edit a plant genome with precision and specificity in order to elicit the desired traits and characteristics, resulting in a final product that has no foreign DNA.

Gene Editing in Agricultural Biotechnology

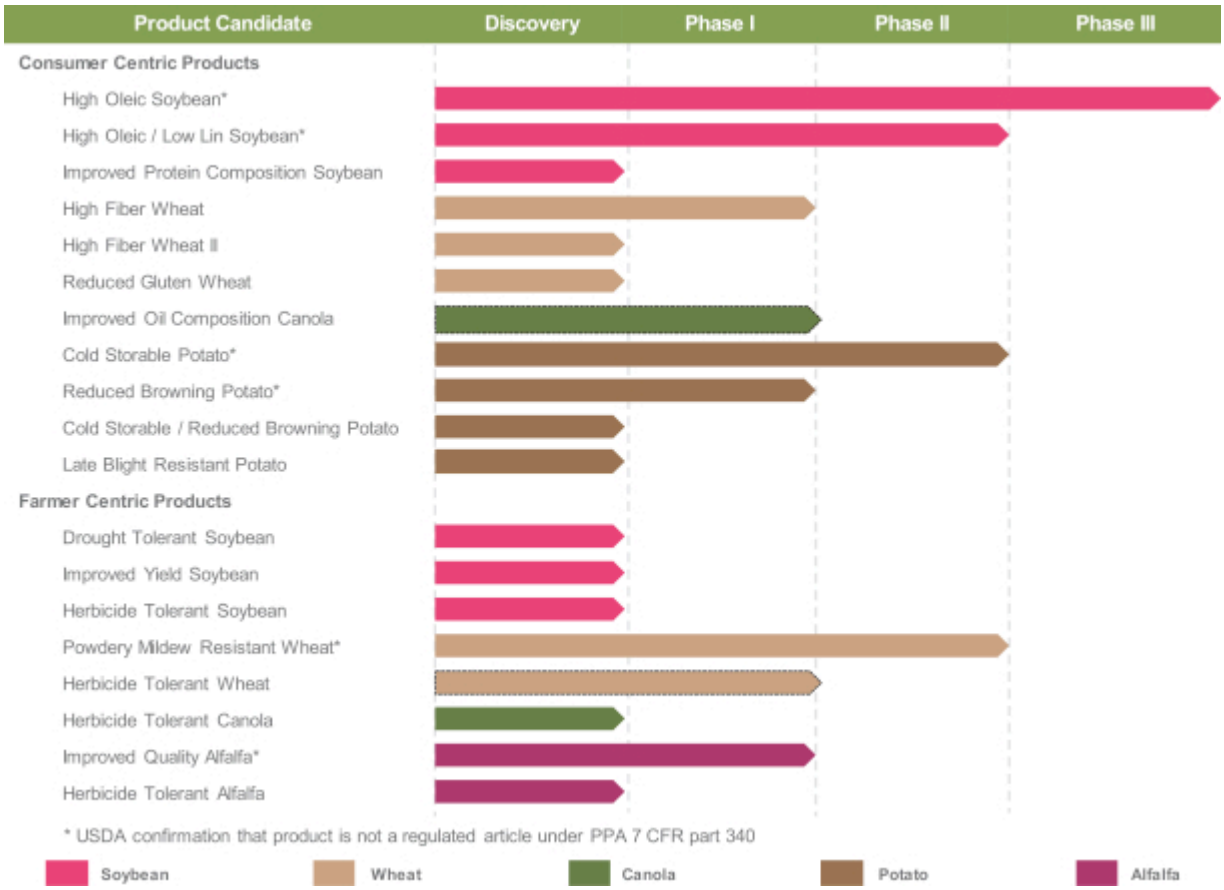
While plant breeders have been crossbreeding varieties and selecting advantageous traits for thousands of years, the modern agriculture industry has relied primarily on two methods of crop improvement: genetic modification, which involves the use of genetic technologies to randomly insert foreign genetic material into a plant's genome for the development of seeds in which the inserted genes express specific traits, and chemical mutagenesis, in which mutagenesis is induced in plants using agents and chemicals. We believe these traditional approaches can no longer effectively meet societal demands for innovative solutions demanded by the consumer and the farmer. We believe that

the proprietary technologies deployed by Calyxt will bridge this divide because it enables Calyxt to precisely and specifically edit a plant genome to elicit a desired trait and characteristic and to do so more quickly and cost effectively than traditional methods.

Market Dynamics

The agriculture industry has historically been burdened by high infrastructure costs in a market that has focused on price and market share resulting in commoditization. A highly segmented supply chain has also resulted in the legacy agriculture companies focusing on increasing margins and market share through increased yields and consolidation, and on passing along maximum value to the growers, thereby keeping pace with the growing demand for food globally. Over the past few decades the agriculture industry has seen a consolidation of over 200 seed companies, leaving the industry with only a handful of large, dominant players such as Bayer AG, Monsanto Co., DowDuPont Inc., AgReliant and Syngenta AG. In addition, development at these legacy agriculture companies has been significantly limited by time and cost constraints. Genetic modification, a primary method of these companies to improve crops, involves a lengthy and expensive process to progress a new crop from the discovery stage through commercialization. Innovations have primarily achieved increases in yields and food production volumes through the creation of herbicide tolerance and insect resistance, using genetically modified traits that in many cases contain bacterial DNA. We believe these industry dynamics explain the inability for the agricultural industry to evolve to a consumer- and farmer-focused approach, and thereby effectively meet their demands as societal trends shift and provide new market opportunities.

Calyxt has an extensive product pipeline, as set forth in the table below, that is intended to address the potential market opportunities Calyxt has identified to date:



Calyxt categorizes the stages of pre-commercial development from Phase I to Phase III. Prior to entering Phase I, in Discovery, Calyxt identifies genes of interest. In Phase I, Calyxt edits the identified genes of interest, targets edits that it wishes to make, and produces an initial seed that contains the desired edit. Phase II is trait validation, where Calyxt performs small-scale and large-scale tests to confirm phenotype and ingredient functionality. In this phase Calyxt also performs replicated, multi-location field testing, after confirming that the product is not a regulated article by the USDA. In Phase III, Calyxt develops the first commercial-scale pilot production, begins to build out the supply chain and inventory and performs customer testing prior to commercialization.