



Tel. : +32 (0)2 778 01 00
Fax : +32 (0)2 771 56 56
www.bdo.be

The Corporate Village
Da Vincilaan 9 - Box E.6
Elsinore Building
B-1935 Zaventem

TIGENIX NV

**Statutory auditor's report
to the general meeting
of the company for the year
ended December 31, 2016**

Statutory auditor's report to the general meeting of the company TiGenix NV for the year ended December 31, 2016

As required by law and the company's by-laws, we report to you in the context of our statutory auditor's mandate. This report includes our opinion on the annual accounts, as well as the required additional statements. The annual accounts include the balance sheet as at December 31, 2016, the income statement for the year then ended, and the disclosures.

Report on the annual accounts - unqualified opinion

We have audited the annual accounts of the company TiGenix NV for the year ended December 31, 2016, prepared in accordance with the financial-reporting framework applicable in Belgium, which show a balance sheet total of 163.907.427,46 EUR and a loss for the year of 13.743.845,44 EUR.

Responsibility of the board of Directors for the preparation of the annual accounts

The board of Directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA's) as adopted in Belgium. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the company's internal control relevant to the preparation of annual accounts that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.



An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of Directors, as well as evaluating the overall presentation of the annual accounts.

We have obtained from the board of Directors and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the annual accounts of the company TiGenix NV give a true and fair view of the company's net equity and financial position as at December 31, 2016 and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

Report on other legal and regulatory requirements

The board of Directors is responsible for the preparation and the content of the Directors' report, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Company Code and with the company's by-laws.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- The Directors' report, prepared in accordance with the articles 95 and 96 of the Company Code and to be deposited in accordance with article 100 of the Company Code, includes, both in terms of form and content, the information required by the law, is consistent with the annual accounts and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.
- The social balance, to be deposited in accordance with article 100 of the Company Code, includes, both in terms of form and content, the information required by virtue of the law and does not present any material inconsistencies with the information we have at our disposition in our audit file.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the relevant requirements of the law and the company's by-laws.

- There are no transactions undertaken or decisions taken in breach of the by-laws or of the Company Code that we have to report to you except for non compliance with article 98 of the Company Code relating to the deadlines for filing the financial statements of December 31, 2015.

- In accordance with article 523 of the Company Code, we are also required to report to you on the following transactions, taken up in the Directors' report, which have taken place during 2016:
 - From the minutes of the Directors' Meeting held on February 3, 2016, we understood that Eduardo Bravo had a conflict of interest of a patrimonial nature with respect to his evaluation and bonus relating to 2015 and his remuneration for 2016.
 - From the minutes of the Directors' Meeting held on February 3, 2016, we understood that Innosté SA (represented by Jean Stéphane), Willy Duron, Greig Biotechnology Global Consulting, Inc. (represented by Russell G. Greig) and R&S Consulting BVBA (represented by Dirk Reyn) had a conflict of interest of a patrimonial nature with respect to the determination as to whether or not certain of the board and committee meetings held in 2015 qualify for additional remuneration.

Zaventem, April 5, 2017



BDO Réviseurs d'Entreprises Soc. Civ. SCRL
Statutory auditor
Represented by Veerle Catry