**PRESS RELEASE**

*Archamps (France), October 26, 2017 at 06:00 pm CEST*

# GENKYOTEX PROVIDES BUSINESS UPDATE FOR Q3 2017

- ***Two Phase 2 clinical trials in fibrotic indications progressing on track***
- ***First publication highlighting GKT831 in oncology models***
- ***Cash & cash equivalents and liquid investments of €15.3 million as of September 30***

Genkyotex (Euronext Paris & Brussels: FR00011790542 – GKTX), a biopharmaceutical company and the leader in NOX therapies, today provided a corporate update, and announced that its cash & cash equivalents and liquid investments position for the third quarter ended September 30, 2017, is €15.3 million.

**Clinical highlights**

- Genkyotex is activating its global network of investigational centers participating in the ongoing Phase 2 clinical trial of GKT831, the Company's NOX1 and NOX4 inhibitor, in primary biliary cholangitis (PBC). Patient enrollment is on track to deliver interim results in H1 2018 and full results in H2 2018. In total, over 50 centers across the United States, Canada, Belgium, Germany, Greece, Italy, Spain, UK, and Israel, are expected to participate in the trial.
- The second phase 2 trial with GKT831 is fully funded by the Juvenile Research Foundation Australia and the Baker Institute. This investigator-initiated Phase 2 clinical trial to evaluate the efficacy and safety of GKT831 in diabetic kidney disease (DKD) is on track to enroll the first patient by the end of 2017, as planned. This 48-week trial will include 142 patients and is being led by two world-renowned diabetes experts, Professor Mark Cooper, Head of the Department of Diabetes at Monash University, and Professor Jonathan Shaw, Deputy Director at the Baker Heart and Diabetes Institute (both in Melbourne, Australia).

**Research highlights**

- On August 3, 2017, the Company announced that GKT831 efficiently targeted cancer associated fibroblasts (CAFs) and delayed tumor growth in multiple preclinical models. The presence of a fibrotic tumor microenvironment is associated with a poor prognosis and resistance to multiple anti-cancer therapies. The effects of GKT831 in CAFs are consistent with its effects in myofibroblasts in fibrotic disorders. The results from this study were published in the Journal of the National Cancer Institute (https://doi.org/10.1093/jnci/djx121).
- Genkyotex pursued preclinical studies with GKT771 in order to prioritize clinical indications for this product candidate that targets a number of pathological processes, including angiogenesis, pain processing, and inflammation. Genkyotex intends to submit a clinical trial application (CTA) by the

end of 2017 to initiate a Phase I clinical trial with GKT771. If approved, the trial could start at the beginning of 2018 and first results could be available in the first half of 2018.
- Genkyotex continues to further explore the therapeutic value of NOX inhibition in oncology, as well as in hearing loss and Parkinson's disease.

## Financial highlights

As of September 30, 2017, Genkyotex had cash & cash equivalents and liquid investments of €15.3 million versus €18.1 million on June 30, 2017, in line with the Company's expectations. Cash burn is primarily driven by costs related to the phase 2 trial of GKT831 in PBC and the preparation of an IND for GKT771. In addition, the company expects to receive a Research Tax Credit (*Crédit Impôt Recherche*) for year 2016 filed by Genticel of €2.4 million.

### About Genkyotex

*Genkyotex is the leading biopharmaceutical company in NOX therapies, listed on the Euronext Paris and Euronext Brussels markets. A leader in NOX therapies, its unique therapeutic approach is based on a selective inhibition of NOX enzymes that amplify multiple disease processes such as fibrosis, inflammation, pain processing, cancer development, and neurodegeneration.*

*Genkyotex's platform enables the identification of orally available small-molecules that selectively inhibit specific NOX enzymes. Genkyotex is developing a pipeline of first-in-class product candidates targeting one or multiple NOX enzymes. The lead product candidate, GKT831, a NOX1 and NOX4 inhibitor entered a phase II clinical trial in primary biliary cholangitis (PBC, a fibrotic orphan disease) in the second quarter of 2017. This product candidate may also be active in other fibrotic indications. Its second product candidate, GKT771, is a NOX1 inhibitor targeting multiple pathways in angiogenesis, pain processing, and inflammation, and should enter a phase I clinical study at the end of 2017.*

*Genkyotex also has a versatile platform well-suited to the development of various immunotherapies (Vaxiclase). A partnership covering the use of Vaxiclase as an antigen per se (GTL003) has been established with Serum Institute of India Ltd (Serum Institute), the world's largest producer of vaccine doses, for the development by Serum Institute of cellular multivalent combination vaccines against a variety of infectious diseases. This partnership could generate up to $57 million in future revenues for Genkyotex, before royalties on sales.*

***For further information, please go to*** www.genkyotex.com

GKTX LISTED EURONEXT

ELIGIBLE PEA PME

***Disclaimer***

*This press release and the information it contains does not constitute an offer or solicitation to buy, sell or hold Genkyotex shares in any country, in particular any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or other qualification under the securities laws of any such jurisdiction.*

*This press release may contain forward-looking statements by the company with respect to its objectives. Such statements are based upon the current beliefs, estimates and expectations of Genkyotex's management and are subject to risks and uncertainties such as the company's ability to implement its chosen strategy, customer market trends, changes in technologies and in the company's competitive environment, changes in regulations, clinical or industrial risks and all risks linked to the company's growth. These factors as well as other risks and uncertainties may prevent the company from achieving the objectives outlined in the press release and actual results may differ from those set forth in the forward-looking statements, due to various factors. Without being exhaustive, such factors include uncertainties involved in the development of Genkyotex's products, which may not succeed, or in the delivery of Genkyotex's products marketing authorizations by the relevant regulatory authorities and, in general, any factor that could affects Genkyotex's capacity to commercialize the products it develops. No guarantee is given on forward-looking statements which are subject to a number of risks, notably those described in the registration document (document de reference) registered by the French Markets Authority (the AMF) on 29 June 2017 under number R.17-048., and those linked to changes in economic conditions, the financial markets, or the markets on which Genkyotex is present. Genkyotex products are currently used for clinical trials only and are not otherwise available for distribution or sale.*

| INVESTORS | MEDIA | US |
|---|---|---|
| **NewCap**<br>Dušan Orešanský, Tristan Roquet Montégon and Emmanuel Huynh<br>+33 1 44 71 94 92<br>genkyotex@newcap.eu | **ALIZE RP**<br>Caroline Carmagnol and Margaux Pronost<br>+33 6 64 18 99 59<br>+33 1 44 54 36 65<br>genkyotex@alizerp.com | **LifeSci Advisors, LLC**<br>Brian Ritchie<br>+1-212-915-2578<br>britchie@lifesciadvisors.com |