Archamps (France), August 13, 2020 at 7.00 am CEST

Genkyotex announces agreement for Calliditas Therapeutics to acquire controlling interest in Genkyotex SA

- Calliditas Therapeutics to acquire 62.7% of Genkyotex for a cash price of up to €2.80 per share in an off-market transaction
- The proposed transaction would be followed by a simplified cash mandatory tender offer for the remaining shares of Genkyotex SA
- Total transaction would amount to approximately up to a maximum amount of ca. €88 million including milestones payments payable upon regulatory approvals of setanaxib

Genkyotex (Euronext Paris & Brussels: FR0013399474 – GKTX), a biopharmaceutical company and the leader in NOX therapies (the "**Company**"), today announced an agreement for Calliditas Therapeutics AB ("Calliditas"; Nasdaq OMX – CALTX; NASDAQ - CALT) to acquire a controlling interest in Genkyotex SA.

Calliditas Therapeutics is a specialty pharmaceutical company based in Stockholm, Sweden focused on identifying, developing and commercializing novel treatments in orphan indications, with an initial focus on renal and hepatic diseases with significant unmet medical needs.

Calliditas has agreed to acquire, through an off-market block trade, ordinary shares of Genkyotex representing 62.7% of the share capital and voting rights of Genkyotex[1] from Genkyotex's largest shareholders and management team (the "Block Sellers")[2] for a cash consideration at closing of €2.80 per ordinary share (subject to certain transaction expenses) representing a 32.3% maximum premium on Genkyotex's volume weighted average price (VWAP) over the preceding 10 trading days immediately prior to this announcement. In addition, the Block Sellers will receive non-transferable (subject to certain exceptions) contingent rights to additional cash payments on confirmation of regulatory approvals or marketing authorizations of setanaxib, as described below. The off-market block trade is expected to close in October 2020 and remains subject to customary conditions precedent, including the clearance from the French Minister of Economy and Finance regarding foreign investments in France. Calliditas will finance the block trade from its cash reserves.

Calliditas is seeking to acquire all outstanding Genkyotex shares and, as soon as reasonably practicable after and subject to completion of the off-market block trade, in compliance with French and Belgian securities law, Calliditas will file with the French Financial Market Authority (*Autorité des Marchés Financiers* – the "AMF") a mandatory simplified cash tender offer for the remaining Genkyotex shares on

[1] Based on the total number of issued shares and voting rights of Genkyotex on the date of this press release (11,548,562)
[2] The Block Sellers are Andera Partners (25.3%), Eclosion 2 (12.1%), Vesalius Biocapital (9.4%), Neomed Inovation (8.1%), N5 Investments (0.6%), Wellington Partners (4.2%), Elias Papatheodorou (1.3%), Philippe Wiesel (1%) and Alexandre Grassin (0.6%). These percentages are calculated on the basis of the total number of issued shares of Genkyotex on the date of this press release (11,548,562).

the same terms as the block trade (€2.80 per share in cash and contingent rights as further described below). Total acquisition cost would thus amount to a maximum of approximately €87.9m including contingent rights subject to future regulatory approvals of setanaxib.

The Block Sellers and the Genkyotex shareholders who tender their shares in the centralized tender offer will be eligible to additional cash payments (expressed in relation to 100% of the Genkyotex shares on a fully diluted basis on the day preceding the settlement and delivery of the tender offer) on confirmation of following regulatory approvals or marketing authorization of setanaxib no later than within ten years of the closing of the tender offer:

- €30m on approval of setanaxib for a first indication by the US Food and Drug Administration (FDA);
- €15m on approval of setanaxib for a first indication by the European Commission (EC); and
- €10m on approval of setanaxib by the FDA or the EC for either idiopathic pulmonary fibrosis (IPF) or type 1 diabetes (unless such milestone has already been paid out for such indication by the FDA or the EC as per above).

In accordance with the provisions of article 261-1 I, II and III of the general regulations of the Autorité des marchés financiers, the Board of directors of Genkyotex, following the recommendation of an ad hoc committee composed of a majority of independent board members, has designated, BM&A Advisory & Support, represented by Pierre Béal as independent expert, who will be responsible for submitting a report on the financial terms and conditions of the proposed tender offer and potential squeeze-out offer.

Stifel acted as exclusive financial advisor to Genkyotex on this transaction. Mc Dermott Will & Emery acted as legal adviser to Genkyotex on this transaction.

About Genkyotex

Genkyotex is the leading biopharmaceutical company in NOX therapies, listed on the Euronext Paris and Euronext Brussels markets. Its unique platform enables the identification of orally available small-molecules which selectively inhibit specific NOX enzymes that amplify multiple disease processes such as fibrosis, inflammation, pain processing, cancer development, and neurodegeneration. Genkyotex is developing a pipeline of first-in-class product candidates targeting one or multiple NOX enzymes. The lead product candidate, setanaxib (GKT831), a NOX1 and NOX4 inhibitor has shown evidence of anti-fibrotic activity in a Phase II clinical trial in primary biliary cholangitis (PBC, a fibrotic orphan disease). Based on its positive Phase II results, a phase 3 trial with setanaxib in PBC is being planned. Setanaxib is also being evaluated in an investigator-initiated Phase II clinical trial in Type 1 Diabetes and Kidney Disease (DKD). A grant from the United States National Institutes of Health (NIH) of $8.9 million was awarded to Professor Victor Thannickal at the University of Alabama at Birmingham (UAB) to fund a multi-year research program evaluating the role of NOX enzymes in idiopathic pulmonary fibrosis (IPF), a chronic lung disease that results in fibrosis of the lungs. The core component of this program is a Phase 2 trial with setanaxib in patients with IPF scheduled to recruit patients in the course of 2020. This product candidate may also be active in other fibrotic indications.

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 Private 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.

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

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About Calliditas Therapeutics

Calliditas Therapeutics is a specialty pharmaceutical company based in Stockholm, Sweden focused on identifying, developing and commercializing novel treatments in orphan indications, with an initial focus on renal and hepatic diseases with significant unmet medical needs. Calliditas' lead product candidate, Nefecon, is a proprietary, novel oral formulation of budesonide, an established, highly potent local immunosuppressant, for the treatment of the autoimmune renal disease IgA nephropathy, or IgAN, for which there is a high unmet medical need and there are no approved treatments. Calliditas is running a global Phase 3 study within IgAN and, if approved, aims to commercialize Nefecon in the United States. Calliditas is listed on Nasdaq Stockholm (ticker: CALTX) and the Nasdaq Global Select Market (ticker: CALT). Visit www.calliditas.com for further information.

Disclaimer

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 universal registration document filed with the AMF on April 30, 2020 under number D.20-0434, 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.