*Archamps (France), July 27th, 2017 at 06:00pm CEST*

# GENKYOTEX PROVIDES BUSINESS UPDATE FOR Q2 2017

- ***Phase 2 PBC trial initiated in the United States***
- ***Phase 2 IIT trial in DKD fully funded by JDRF and Baker Institute***
- ***Cash & cash equivalents and liquid investments of €18.1 million as of June 30th***

Genkyotex (Euronext Paris & Brussels: FR00011790542 – GKTX), a biopharmaceutical company and the leader in NOX therapies, today provided a corporate update. It also announced that its cash & cash equivalents and liquid investments position for the second quarter ended June 30th, 2017 is €18.1 million, not including anticipated tax credit for 2016.

**Clinical highlights**

- On May 2nd, 2017, the Company announced that the U.S. Food & Drug Administration (FDA) had accepted its Investigational New Drug (IND) Application, allowing Genkyotex to proceed with a phase 2 clinical trial of GKT831, its first-in-class NOX1 and NOX4 inhibitor, in patients with primary biliary cholangitis (PBC).
- On June 27th, 2017, the Company announced the enrollment initiation for the trial at the first investigational center in the United States. In total, over 50 centers across the United States, Canada, Belgium, Germany, Greece, Italy, Spain, UK, and Israel are anticipated to participate in the trial. Interim top-line results are expected in the first half of 2018, followed by the full results in the second half of 2018.
- On June 28th, 2017, Genkyotex announced that 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), will lead an investigator-initiated phase 2 clinical trial to evaluate the efficacy and safety of the Company's lead product candidate, GKT831, in diabetic kidney disease. This research is financially supported by JDRF Australia, the recipient of the Australian Research Council Special Research Initiative in Type 1 Juvenile Diabetes funding, with additional financial support by the Baker Institute. Genkyotex shall provide GKT831 Good Manufacturing Practice (GMP) material for the trial. Patient enrollment is expected to begin in the second half of 2017.

**Research highlights**

Genkyotex continues to explore the therapeutic value of NOX inhibition in oncology, hearing loss and Parkinson's disease and to seek opportunities of non-dilutive grant financing to support the preclinical evaluation of drug candidates in these therapeutic areas.

## Financial highlights

At June 30th, 2017, Genkyotex' cash & cash equivalents and liquid investments stood at €18.1 million vs. €21.8 million at March 31st, 2017, in line with the Company's expectations and mainly driven by the set-up of the phase 2 trial in PBC with GKT831 and the ongoing preclinical work on GKT771. The cash position does not include an expected reimbursement of Research Tax Credit (*Crédit Impôt Recherche*) for 2016, estimated by the Company to be at €3 million.

Elias Papatheodorou, CEO of Genkyotex, comments: "*We are proud of our accomplishments over the first half of 2017. The clinical development of GKT831 is broader than initially announced at the beginning of the year. In addition to the PBC phase 2 trial, we also announced a second phase 2 trial for GKT831 in DKD, fully funded by JDRF and Baker Institute. We are confident in both the medical potential of our therapies and in our ability to potentially bring them closer to patients suffering from fibrotic diseases.*"

### Next financial press release:

H1 2017 financial results: September 21, 2017 (after market close)

### 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

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*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.*


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