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GENKYOTEX PROVIDES UPDATE ON PBC PHASE 2 TRIAL AND REPORTS JUNE 30, 2018, CASH POSITION

- ***Ongoing enrollment in Phase 2 trial of GKT831 in Primary Biliary Cholangitis (PBC) has reached 75% of the total number of patients***
- ***First DSMB meeting for Phase 2 study of GKT831 in PBC successfully completed and to date no serious adverse events, no liver related adverse events and no dropouts related to adverse events have been reported***
- ***Interim results expected in Fall 2018 and final results in H1 2019, as previously announced***
- ***Cash and cash equivalents of €9.3 million as of June 30, 2018, excluding upfront payment expected from SIILP contract, confirming cash runway to Q3 2019***

Genkyotex (Euronext Paris & Brussels: FR00011790542 – GKTX), a biopharmaceutical company and the leader in NOX therapies, today provides a business update, including progress around the ongoing Phase 2 study of GKT831 in Primary Biliary Cholangitis (PBC), and reports cash and cash equivalents of €9.3 million, on June 30, 2018.

Elias Papatheodorou, CEO of Genkyotex, comments: *"We are very pleased to report that our PBC Phase 2 trial is 75% enrolled, and that we still have no reports of serious adverse events or liver-related adverse events. Importantly, we continue to expect that our cash position will support currently planned operations to the end of the third quarter of 2019, including interim and final results of the PBC Phase 2 trial expected respectively in the Fall of 2018 and in the first half of 2019."*

Clinical highlights

Patient enrollment continues in Phase 2 trial of GKT831 in patients with PBC:

- Patient enrollment advances across a global network of investigational centers in the United States, Canada, Belgium, Germany, Greece, Italy, Spain, the United Kingdom, and Israel:
  - More than 50 centers are actively screening potential subjects,
  - The trial is enrolled at 75% and additional randomizations are scheduled,
  - A number of patients have now completed the full treatment period.
- On May 7, 2018, Genkyotex announced a positive outcome from the independent Data Safety Monitoring Board's (DSMB) first meeting, that recommended the continuation of the trial without protocol amendment. The Company expects the second DSMB meeting to take place by the end of

August 2018. To date, no serious adverse events, liver-related adverse events and dropouts related to adverse events have been reported by any patient included in the study.

- This phase 2 trial is a 24-week, double-blind, placebo-controlled study evaluating the safety and efficacy of GKT831 in patients with PBC and inadequate response to ursodeoxycholic acid (UDCA). A total of 102 PBC patients is expected to be enrolled and allocated to UDCA plus placebo or UDCA plus one of two doses of GKT831 (400mg once a day or 400mg twice a day).
- Genkyotex anticipates that the results of the interim analysis of 80% to 90% of the full study population evaluated after 6 weeks of treatment will be available in the Fall of 2018, with final results expected in the first half of 2019.

Research highlights

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

Financial highlights

- On June 30, 2018, Genkyotex's cash and cash equivalents amounted to €9.3 million vs. €14.6 million on December 31, 2017, in-line with the Company's expectations and providing financial visibility until Q3 2019. Genkyotex's cash burn for the six months ended June 30, 2018, was primarily driven by investments in the ongoing Phase 2 trial of GKT831 in PBC.
- This cash position does not include the upfront payment expected from the SIIPL contract extension announced on June 25, 2018. Since the restated agreement, the Company is now eligible to receive a global amount of approximately €150 million* consisting of an upfront payment, as well as development and commercial milestones.

*The overall amount of this agreement is provided in euros for information purposes and is based on the €/$ currency rate as at the signature date of the restated agreement.

Upcoming financial event and publication

Genkyotex expects to publish its 2018 Half-Year results on September 26, 2018.

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 is evaluated in a phase II clinical trial in primary biliary cholangitis (PBC, a fibrotic orphan disease) and in an investigator-initiated Phase II clinical trial in Type 1 Diabetes and Kidney Disease (DKD). 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, currently undergoing preclinical testing.

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. This partnership could generate approximately €150 million in future revenues for Genkyotex, before royalties on sales.

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

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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 27 April 2018 under number R.18-037, 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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