

Galecto Biotech

Galecto Biotech Raises €79 Million in Series C Financing Co-Led by Ysios Capital and OrbiMed to Advance Galectin Inhibitor to Late-Stage Clinical Development

- Proceeds to fund Phase 2/3 trial of inhaled TD139 in idiopathic pulmonary fibrosis (IPF) and advancement of oral and ocular pipeline candidates into clinical studies

Copenhagen, Denmark, 26 October 2018 – Galecto Biotech AB, the leading developer of galectin modulators for the treatment of severe diseases, including fibrosis and cancer, today announced the successful closing of a €79 million series C financing co-led by Ysios Capital and OrbiMed. New investors Ysios Capital, OrbiMed, HBM Healthcare Investments, OrbiMed Israel, Bristol Myers-Squibb, Maverick Ventures and Seventure Partners joined existing investors Novo Seeds, M Ventures, and Sunstone Capital in the financing round. Concurrent with the financing, Karen Wagner (Ysios Capital), Chau Khuong (OrbiMed), Chandra Leo (HBM) and Erez Chimovits (OrbiMed Israel) were appointed to the Galecto Board of Directors.

Galecto will use the proceeds to conduct a phase 2/3 clinical study of inhaled TD139, a potent and selective inhibitor of galectin-3, in idiopathic pulmonary fibrosis (IPF), a chronic and severe disease characterized by progressive decline in lung function. This international, multi-center phase 2/3 study will be conducted by Galecto in Europe and North America following positive data obtained from the phase 1/2a clinical studies. The financing proceeds will also be used to conduct clinical studies with additional oral and ocular Gal-3 inhibitor drug candidates.

“The closing of this €79 million financing is a significant milestone for Galecto as it allows us to quickly take TD139 into the phase 2/3 study, the design for which has been agreed with the FDA and MHRA. The financing will also enable clinical studies for two additional programs, which are based on galectin modulators optimised for dosing in fibrotic diseases of other organs, such as the liver and eye,” said Hans Schambye, CEO of Galecto

Biotech. “We welcome and thank our new and existing investors for their commitment to advancing our galectin modulator products to late-stage clinical development.”

“Galecto is the clear leader in the field of galectin inhibitor development. The data generated to date suggests that Galecto’s TD139 has a highly competitive profile in IPF due to its good safety profile and inhaled dosing, providing a clear path to market,” said Karen Wagner, General Partner of Ysios Capital.

“We were attracted to Galecto by the excellent science, great promise for its lead inhaled product in IPF as well as the galectin inhibitor technology platform, which is generating multiple drug candidates,” added Chau Khuong, a partner at OrbiMed.

About TD139 TD139, a highly potent, specific inhibitor of the galactoside binding pocket of galectin-3, has been formulated for inhalation to enable direct targeting the fibrotic tissue in the lungs, while minimizing systemic exposure. In a phase 1/2 proof of concept study in IPF patients, TD139 was found to be safe, well tolerated, and exhibited direct target engagement with macrophages, the key cellular target in fibrotic disease. TD139 was initially developed by a team of scientists from Lund University (Sweden) and Edinburgh University (UK).

About Galectin-3 Galectin-3 is a member of the galectin family of galactoside-binding lectins. Galectin-3 exists both intra- and extra-cellularly, and binds to glycosylated proteins. Galectin-3 has been shown to play a central role in fibrosis development and progression. The activation of macrophages, and recruitment and activation of myofibroblasts, the two central cell types in organ fibrosis, is dependent on galectin-3. Abolition of galectin-3 expression in knockout animals or pharmacological blockade using Galecto Biotech’s inhibitors leads to a dramatic reduction or even prevention of fibrosis.

About Galecto Biotech Galecto is focused on developing novel drugs for the treatment of fibrosis, inflammation, and other serious human diseases. The company’s products target galectins or galactoside binding lectins, which are a group of proteins shown to be involved in many disease processes. Since its founding in 2011, Galecto’s team of scientists and experts has proven that galectin-3 is an attractive drug target and that galectin-3 inhibitors are effective in reducing fibrosis in several different organs in preclinical models. Based on this research and recently completed clinical studies, Galecto’s high potency galectin modulators may open new treatment possibilities for many patients. The company is located in Copenhagen, Denmark. Further information can be found at www.galecto.com.

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