



Galecto Raises \$64 Million to Accelerate Development of Clinical Pipeline

Funds will support preparations for potential EU conditional approval of GB0139 in IPF and multiple new Phase 2 clinical trials

Boston, MA/Copenhagen, Denmark, September 25, 2020 - Galecto, Inc., a privately-held biotechnology company focused on the development of novel treatments for fibrosis and cancer, announced today the successful completion of a \$64 million equity financing. This reinforces Galecto's existing cash balance extending the Company's cash runway into late 2022.

Galecto intends to use the funds to prepare for a potential conditional approval of GB0139 for the treatment of Idiopathic Pulmonary Fibrosis (IPF) in the European Union and to further expand and advance its clinical development pipeline. Galecto is currently conducting a Phase 2b trial of GB0139 in IPF and intends to initiate Phase 2 studies of GB1211 in liver fibrosis related to Non-Alcoholic SteatoHepatitis (NASH) and GB2064 in Myelofibrosis by the end of this year.

The financing was led by Soleus Capital and co-led by Eir Ventures. Several new investors joined the round: Cormorant Asset Management, Janus Henderson Investors, Hadean Ventures, Sphera, Asymmetry Capital Management, Canica, as well as current investors. These include OrbiMed, Ysios Capital, Novo Holdings, HBM Healthcare Investments, Sunstone Capital, Bristol Myers Squibb, Seventure and Maverick Ventures.

Hans Schambye, CEO of Galecto, said: "Together with our existing cash balance, this raise will enable the continuing development of Galecto, including advancing our promising GB0139 product candidate, which has orphan drug designation in both the U.S. and EU, towards market. This financing will also support the further expansion of our clinical development as we aim to have three Phase 2 studies running by the end of 2020. We are looking forward to advancing our products through clinical development and potentially to market to address significant unmet medical needs."

Stephan Christgau, Managing Partner of Eir Ventures, will join Galecto's Board of Directors as a representative of the investors in this financing. Stephan was the seed venture capital investor in Galecto and previously served on the Board of Directors from 2011 to 2019.

Guy Levy, Managing Member of Soleus Capital said: "We are encouraged by Galecto's pipeline targeting severe fibrotic diseases, including IPF, and the data generated to date including early signs of GB0139's potential clinical activity in IPF patients. We are excited to partner with a network of leading life science investors to support Galecto in bringing new and innovative therapies to patients."

SVB Leerink acted as a financial advisor to the company in connection with the private placement. MTS Securities, LLC acted as Placement Agent to the Company in connection with the private placement.

About Galecto

Galecto is a clinical stage biotechnology company with advanced programs in fibrosis and cancer centered on galectin-3 and LOXL2. The Company's pipeline includes an inhaled galectin-3 modulator currently in Phase 2b for the potential treatment of idiopathic pulmonary fibrosis, as well as two assets about to move into Phase 2 targeting NASH and myelofibrosis. The Company is incorporated in the U.S. and has its operating headquarters in Copenhagen, Denmark.

Further information can be found at www.galecto.com.

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