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Kiadis Pharma launches a private placement of approximately 2.6 million new shares

Amsterdam, The Netherlands, March 12, 2018 – Kiadis Pharma N.V. (“Kiadis Pharma” or the “Company”) (Euronext Amsterdam and Brussels: KDS), a clinical stage biopharmaceutical company developing a T-cell immunotherapy product designed to reduce Graft versus Host Disease (GVHD) in hematopoietic stem cell transplantations (HSCT), today announces the launch of a private placement of approximately 2.6 million new shares to institutional investors, representing approximately 14.8% of the Company’s current issued share capital (the “Placing”). Existing shareholders of the Company will not have pre-emptive rights in relation to the new shares to be issued. The new shares will rank *pari passu* in all respects with the currently outstanding shares of the Company. With the capital increase, the Company intends to make full use of the remaining authority that the shareholders meeting has granted to the Company’s Management and Supervisory Boards to issue new shares.

Kiadis Pharma intends to use the net proceeds of the Placing to:

- continue the Phase 3 international, randomized, controlled, multicentre clinical trial for ATIR101 in the United States, Canada and Europe;
- generate additional manufacturing capacity at vendors and to refurbish, equip and staff its leased manufacturing facility;
- further prepare the Company for commercialization by investing into a commercial organization, market access preparation and reimbursement discussions;
- support further production process optimization of ATIR;
- expand the organization to accommodate the increased number of activities;
- start a further clinical trial to assess the benefit of ATIR101 in conjunction with another T-cell depleted hematopoietic stem cell transplantation (HSCT) protocol or with a cyclophosphamide-based haplo transplantation protocol;
- apply funds for debt repayment, capital expenditures, general and administrative expenses, general corporate purposes in line with Kiadis Pharma's strategy and other working capital needs; and
- finance potential opportunities to broaden and diversify the research and development portfolio (e.g. through in-licensing or acquiring programs and companies with synergistic or complementary technologies, products and/or product candidates).

The new shares will be placed with institutional investors through an accelerated bookbuilding process and the subscription price and the number of shares to be issued in the Placing will be determined through this process. The bookbuilding period for the Placing will commence today with immediate effect and will close at short notice.

In relation to the Placing, the Company has, subject to customary exemptions, agreed to a lock-up undertaking for a period of 90 calendar days after the settlement date on future share issuances. In addition, and also subject to customary exemptions, the two largest shareholders of the Company (funds represented by and/or affiliated with Life Sciences Partners and Draper Esprit, together

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representing 43.8% of the share capital of the Company) as well as all members of the Company's Management Board and Supervisory Board have agreed to a lock-up undertaking for a period of 90 calendar days after the settlement date on future share disposals.

The Company will announce the number of new shares placed and the subscription price in the Placing in a subsequent press release expected to be published before the beginning of trading on Euronext Amsterdam and Euronext Brussels on Tuesday March 13, 2018.

A registration document, approved by the Netherlands Authority for the Financial Markets (AFM) on March 12, 2018, is available free of charge on the Company's website (www.kiadis.com). A summary and securities note, which together with the registration document will form the listing prospectus on the basis of which the new shares will be admitted to trading on Euronext Amsterdam and Euronext Brussels, will be submitted to the AFM with a view to receiving its approval on or about March 13, 2018, following which it will be made available free of charge on the Company's website (www.kiadis.com).

Jefferies International Limited is acting as Sole Bookrunner, Canaccord Genuity Limited as Lead Manager, Chardan as Co-Lead Manager and LifeSci Capital LLC as Co-Manager in connection with the Placing. Saola Healthcare Partners is acting as financial advisor to the Company.

About Kiadis Pharma

Kiadis Pharma's allodepleted T-cell immunotherapy product, given after a haploidentical hematopoietic stem cell transplantation (HSCT), is designed to reduce Graft versus Host Disease (GVHD). Single dose Phase 2 data with lead product ATIR101™ in patients with blood cancer shows a strong and clinically very relevant improvement over literature for the Baltimore protocol, with reduced risk of GVHD. Based on the positive results from the Phase 2 trial, the Company submitted a Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) in April 2017, for approval of ATIR101™ across the EU as an adjunctive treatment in HSCT for malignant disease. Kiadis Pharma received Day 120 questions in September 2017 and is on track for potential (conditional) approval in Q4 2018 and launch in H2 2019. Kiadis Pharma is conducting a Phase 3 trial with ATIR101™ across Europe and North America (head to head against the Baltimore protocol). The first patient was enrolled in December 2017.

In September 2017 the US Food and Drug Administration (FDA) granted ATIR101™ the Regenerative Medicine Advanced Therapy (RMAT) designation. ATIR101™ has been granted Orphan Drug Designations both in the US and Europe.

The Company's shares are listed on Euronext Amsterdam and Brussels under the ticker KDS.

Website: www.kiadis.com

Company presentation: <http://www.kiadis.com/company-presentation/>

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In the United Kingdom this announcement is only being distributed to, and is only directed at, and any investment or investment activity to which this announcement relates is available only to, and will be engaged in only with, qualified investors as defined in the Prospectus Directive who are (i) investment professionals falling with Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) other persons to whom it may otherwise be lawfully communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this announcement and should not act or rely on it.

The Company has not authorized any offer to the public of securities in any Member State of the European Economic Area. With respect to any Member State of the European Economic Area and which has implemented the Prospectus Directive (each a "Relevant Member State"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Relevant Member State. As a result, the securities may only be offered in Relevant Member States (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) in any other circumstances falling within Article 3(2) of the Prospectus Directive. For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable the investor to decide to exercise, purchase or subscribe for the securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State. Notwithstanding the foregoing, in the Netherlands the shares are not and may not be offered other than to persons or entities who or which are qualified investors (*gekwalficeerde beleggers*) as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and in Belgium the shares may not be offered other than to persons or entities who or which are qualified

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investors as defined in Article 10§1 of the Belgian law dated 16 June 2006 (*Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt*).

Any investment decision in connection with the Placing must be made on the basis of all publicly available information relating to the Company and the new shares to be placed. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

This announcement does not purport to identify or suggest the risks (direct or indirect) which may be associated with an investment in the Company or the new shares.

The new shares shall be admitted to listing and trading on Euronext Amsterdam on the basis of a listing prospectus, consisting of a registration document (the "Registration Document") and a summary and securities note (the "Summary and Securities Note"). The Registration Document, approved by the AFM on March 12, 2018, is available free of charge on the Company's website (www.kiadis.com). The Summary and Securities Note will contain a description of risks and uncertainties relating to holding shares in the Company. These risks and uncertainties include, among others: (i) the ownership of the Shares is highly concentrated and your interests may conflict with the interests of the Company's significant shareholders; (ii) U.S. and other non-Dutch holders of the Shares may be unable to exercise pre-emptive rights; (iii) the Company does not intend to pay dividends for the foreseeable future; (iv) the Company believes that it was a passive foreign investment company (PFIC) during its 2014, 2015, 2016 and 2017 taxable years and that it may be so as well during its 2018 taxable year, generally resulting in adverse tax consequences to U.S. investors; and (v) any sale, purchase or exchange of Shares may become subject to a common financial transaction tax. The Summary and Securities Note shall be made generally available via the Company's website (www.kiadis.com) if and when approved by the AFM.

In connection with any offering of the new shares, each of Jefferies International Limited ("Jefferies"), Canaccord Genuity Limited ("Canaccord"), Chardan Capital Markets, LLC ("Chardan") and LifeSci Capital LLC ("LifeSci Capital" and, together with Jefferies, Canaccord and Chardan, the "Banks") and any of their respective affiliates acting as an investor for their own account may take up as a proprietary position any new shares and in that capacity may retain, purchase or sell for their own account such new shares. In addition, any of them or their respective affiliates may enter into financing arrangements and swaps with investors in connection with which that any of them (or their affiliates) may from time to time acquire, hold or dispose of new shares. None of the Banks or any of their respective affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

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None of the Banks or any of their respective affiliates will regard any other person (whether or not a recipient of this document) as a client or will be responsible to anyone other than the Company for providing the protections afforded to its clients or for the giving of advice in relation to the contents of this announcement or any transaction, matter or arrangement referred to in this announcement.

The Company's managing director and CEO Arthur Lahr is responsible for arranging for the release of this announcement on behalf of Kiadis Pharma N.V.

This announcement contains statements about the Company that are or may be forward-looking statements. All statements other than statements of historical facts included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof are forward-looking statements. These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions. No undue reliance should be placed on any forward-looking statement, which speak only as of the date they were made. All subsequent oral or written forward-looking statements attributable to the Company or any persons acting on their behalf are expressly qualified in their entirety by this statement.