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Kiadis Pharma Raises €18.0 Million in a Private Placement of 2.25 Million New Shares

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AMSTERDAM-DUIVENDRECHT, The Netherlands--(BUSINESS WIRE)-- Regulatory News:

Kiadis Pharma N.V. **("Kiadis Pharma" or the "Company") (Euronext Amsterdam and Brussels: KDS)**, a clinical stage biopharmaceutical company developing innovative products to make bone marrow transplantations safer and more effective for patients suffering from blood cancers and inherited blood disorders, today announces that it has raised gross proceeds of €18 million through an undocumented private placement of 2.25 million new shares to institutional investors via an accelerated bookbuilding process as announced on October 9, 2017 (the "Placing"). The Placing was completed at a subscription price of €8.00 per share and represented 15.0% of the issued share capital of the Company prior to the transaction.

The new ordinary shares will rank *pari passu* in all respects with the currently outstanding shares of the Company and are expected to be listed and traded on Euronext Amsterdam and Brussels on October 12, 2017. Following the Placing, the issued share capital of the Company will be 17,287,397.

The proceeds from the Placing, combined with €2.3 million received by Kiadis Pharma from the exercise of warrants placed pursuant to the Company's private placement of June 13, 2017, will allow the company to draw down an additional €5 million of debt financing from Kreos Capital as announced on August 17, 2017.

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

- advance the Phase III international, randomized, controlled, multicentre clinical trial for ATIR101™ in the United States, Canada and Europe;
- secure additional manufacturing capacity at vendors and lease its own commercial manufacturing facility;
- prepare Kiadis Pharma for launch of ATIR101™ in the EU in 2019 by investing in medical affairs, market access preparation and re-imbursement discussions;
- pursue ATIR201™ and a new study combining ATIR101™ with the Baltimore protocol and/or another T-cell depleted hematopoietic stem cell transplantation;
- expand the organization to accommodate the increased number of activities;
- apply funds for debt repayment, capital expenditure, general and administrative expenses, general corporate purposes in line with Kiadis Pharma's strategy and other working capital needs.

Arthur Lahr, CEO of Kiadis Pharma, commented: "*With this €18 million private placement, the €2.3 million proceeds from warrants, and the €5 million tranche from Kreos Capital once drawn down, Kiadis Pharma will add a total of €25 million to its balance sheet. This will fund the Company into 2019 and thus beyond the potential H2 2018 (conditional) approval of ATIR101™ in Europe.*

The offering was oversubscribed and we have now reached the maximum number of shares that can be added to our listing without the publication of a prospectus. We are pleased to see existing shareholders increase their holdings and welcome a number of new investors.

Kiadis Pharma is well on track to bring ATIR to patients, to help address the high rates of relapse and graft versus host disease with current transplantation approaches."

Jefferies International Limited acted as Sole Bookrunner and Canaccord Genuity Limited and Oppenheimer & Co. Inc. acted as Lead Managers in connection with the Placing. Chardan and Saola Healthcare Partners acted as financial advisors to the Company.

About Kiadis Pharma

Kiadis Pharma is focused on cell-based immunotherapy products, as an adjunctive to a haploidentical hematopoietic stem cell transplantation (HSCT), for the treatment of blood cancers and inherited blood disorders. The Company's product candidates have the potential to make allogeneic HSCT safer and more effective for patients.

Based on the positive results from the single dose Phase II trial with lead product ATIR101™ in patients with blood cancer, the Company submitted a Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) in April 2017, for approval of ATIR101™ across the European Union as an adjunctive treatment in HSCT for malignant disease. In addition, Kiadis Pharma has received regulatory approval in various countries to start dosing patients in a Phase III trial with ATIR101™ that will be performed across Europe and North America. ATIR101™ has been granted Orphan Drug Designations both in the US and Europe. In September 2017 the US Food and Drug Administration (FDA) granted ATIR101™ the Regenerative Medicine Advanced Therapy (RMAT) designation.

The Company's second product candidate, ATIR201™, will address beta thalassemia, an inherited blood disorder.

Kiadis Pharma was granted an Advanced Therapy Medicinal Product (ATMP) certificate for manufacturing quality and non-clinical data by the EMA.

The Company's shares are listed on Euronext Amsterdam and Euronext Brussels.

Company website: www.kiadis.com

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