Kiadis licenses previously undisclosed pre-clinical K-NK-cell programs to Sanofi, with total potential deal value of €875 million, plus royalties

July 8, 2020

- *Combination of Kiadis' CD38 knock out K-NK cells with Sanofi's anti-CD38 antibody Sarclisa® enables optimal tumor cell killing, and offers a potential first-in-class treatment for patients with multiple myeloma*
- *Kiadis receives €17.5 million up front payment; potential for up to €857.5 million in preclinical, clinical, regulatory and commercial milestone payments, and up to double-digit royalties*
- *Kiadis to hold conference call with investors and analysts at 16:00 CET today*

Amsterdam, The Netherlands, July 8, 2020 – Kiadis Pharma N.V. ("Kiadis" or the "Company") (Euronext Amsterdam and Brussels: KDS), a clinical-stage biopharmaceutical company developing innovative natural killer cell therapies for patients with life-threatening diseases, today announces the exclusive license of Kiadis' previously undisclosed K-NK004 program to Sanofi. The agreement covers Kiadis' proprietary CD38 knock out (CD38KO) K-NK therapeutic for combination with anti-CD38 monoclonal antibodies, including Sarclisa®, Sanofi's recently approved therapy for patients with multiple myeloma. Additionally, Sanofi has obtained exclusive rights to use Kiadis' K-NK platform for two undisclosed pre-clinical programs.

As part of the agreement, Kiadis will receive a €17.5 million up front payment and will be entitled to receive up to €857.5 million upon Sanofi's achievement of preclinical, clinical, regulatory and commercial milestones. Kiadis will also receive up to low double-digit royalties based on commercial sales of approved products resulting from this agreement.

Natural killer (NK) cells are the human body's first line of defense against cancer and infections. Antibodies work synergistically with NK cells to kill tumor cells in a process called antibody-dependent cell-mediated cytotoxicity (ADCC). Treatment of multiple myeloma with anti-CD38 antibodies, such as Sarclisa®, deplete the patients' own NK cells, as natural NK cells also express CD38. Kiadis' CD38KO K-NK cells are NK cells that have been modified to prevent expression of CD38, and are thus resistant to this effect. Therefore, adjunctive infusion of CD38KO K-NK cells will reinvigorate the natural synergy between NK cells and antibodies to kill tumor cells, optimizing efficacy.

Arthur Lahr, chief executive officer of Kiadis, commented, "We are proud to announce this collaboration with Sanofi, which marks the start of the previously undisclosed K-NK004 program and expands the application of our K-NK platform into multiple myeloma. The agreement with Sanofi – with their world-class expertise and approved anti-CD38 monoclonal antibody, Sarclisa, in multiple myeloma and deep understanding of NK-cell biology – is a testament to the groundbreaking potential of our K-NK natural killer cell platform to treat life-threatening diseases."

John Reed, Global Head of Research and Development at Sanofi, commented, "The licensing of Kiadis' CD38KO K-NK cells is particularly exciting for Sanofi since we will be studying this cell-based therapeutic with our recently FDA approved treatment for patients with difficult-to-treat multiple myeloma, in hopes of bringing even more options to these patients with this hematologic cancer. At Sanofi, we are committed to pioneering treatments that address unmet healthcare challenges. Innovative collaborations, such as this partnership with Kiadis, have the potential to expand the clinical benefits of our medicines by combining them with synergistic partnered therapeutics to deliver improved outcomes for patients."

About the Sanofi-Kiadis License Agreement

Sanofi has received exclusive worldwide rights to research, develop and commercialize K-NK004 based on Kiadis' CD38KO K-NK cells in combination with CD38-targeting molecules for the treatment of multiple myeloma and other CD38 positive blood cancers. Recently, Sanofi received U.S. Food and Drug Administration (FDA) approval for Sarclisa, a monoclonal antibody that targets CD38, for the treatment of multiple myeloma. Additionally, Sanofi has obtained exclusive rights to use Kiadis' K-NK platform for two other previously undisclosed pre-clinical programs. The license does not include rights to K-NK002 and K-NK003 or to any other current and future Kiadis programs.

Under the terms of this agreement, Sanofi will be responsible for and bear all costs related to the research and development, manufacturing, regulatory and commercial activities related to the licensed K-NK programs. Kiadis has retained exclusive rights to and will supply PM21 particles and select universal donors for Sanofi, paid for by Sanofi.

About Multiple Myeloma

Multiple myeloma is the second most common hematologic malignancy,[1] affecting more than 130,000 patients in the United States; approximately 32,000 Americans[2] are diagnosed with multiple myeloma each year. Despite available treatments, multiple myeloma remains an incurable malignancy, and is associated with significant patient burden. As patients relapse, they can become refractory to therapies they have received. There is a need for new agents so that patients and physicians can have options as the disease progresses over time.

Conference Call Information

The call will begin promptly at 16:00 CET. To participate in the conference call, please call one of the following numbers ten minutes prior to commencement of the call:

- Standard International: +44 (0) 2071 928338
- Netherlands, Amsterdam: +31 (0) 207956614

- UK, London: +44 (0) 8444819752
- US, New York: 1-646-741-3167
- US, toll free: 1-877-870-9135

Event Plus Passcode: 6366579#

A live webcast of the call can be accessed from the Events and Presentations section of the Company's website, https://ir.kiadis.com/events-and-presentations.

Dutch Translation/Nederlandse vertaling
Amsterdam, 8 juli 2020 – Kiadis Pharma N.V. ("Kiadis" of de "Onderneming") (Euronext Amsterdam en Brussel: KDS), een biofarmaceutische onderneming in de klinische fase gericht op ontwikkeling van innovatieve *Natural Killer Cell*-therapieën voor patiënten met levensbedreigende aandoeningen, heeft een licentieovereenkomst gesloten met Sanofi voor Kiadis' nog niet eerder bekendgemaakte preklinische K-NK004-programma. De overeenkomst geeft Sanofi het recht om Kiadis' CD38 knock-out (CD38KO) K-NK-cel medicijn te combineren met Sanofi's Sarclisa® anti-CD38 monoklonale antilichamen. Sarclisa® is recentelijk door de FDA goedgekeurd voor patiënten met multipel myeloom (ziekte van Kahler). Bovendien heeft Sanofi de exclusieve rechten verkregen voor het gebruik van Kiadis' K-NK-platform voor twee niet nader genoemde preklinische programma's.

Kiadis ontvangt een bedrag ineens van € 17,5 miljoen en heeft het recht op totale betalingen tot potentieel € 857,5 miljoen, zodra Sanofi vooraf vastgestelde mijlpalen heeft behaald. Kiadis zal daarnaast tot lage dubbelcijferige royalty's ontvangen op de omzet van producten die door Sanofi worden ontwikkeld als onderdeel van de overeenkomst.

Natural killer (NK)-cellen vormen de eerste verdedigingslinie van het menselijk lichaam tegen kanker en infecties. Antilichamen werken in het menselijk lichaam samen met NK-cellen voor het doden van tumorcellen. Anti-CD38-antilichamen voor de behandeling van multipel myeloom (ziekte van Kahler), zoals Sarclisa®, doden echter niet alleen de tumorcellen die CD38 tot expressie brengen, maar ook de eigen NK-cellen van de patiënt, aangezien deze ook CD38 tot expressie brengen. Kiadis' CD38KO K-NK-cellen brengen CD38 niet tot expressie en zijn daarmee resistent tegen dit effect. Een combinatietherapie met zowel anti-CD38 antilichamen als CD38KO K-NK-cellen herstelt daarmee de natuurlijke synergie tussen NK-cellen en antilichamen en optimaliseert de anti-tumor effectiviteit.

Arthur Lahr, CEO van Kiadis, zegt in reactie:
"Het is met trots dat we deze samenwerking met Sanofi bekendmaken. Deze alliantie markeert de start van ons nog niet eerder bekendgemaakte K-NK004-programma en breidt de toepassing van onze K-NK-medicijnen uit naar multipel myeloom. Sanofi heeft het door de FDA goedgekeurde anti-CD38-antilichaam Sarclisa® op de markt voor de behandeling van deze ziekte en bezit een diepgaande kennis van NK-celbiologie en synergie met antilichamen. De overeenkomst getuigt daarmee van het baanbrekende potentieel van ons K-NK natural killer cell-platform voor de behandeling van levensbedreigende aandoeningen."

John Reed, MD, PhD, global head of research and development van Sanofi, zegt:
"De licentie van Kiadis 'CD38KO K-NK-cellen is voor Sanofi bijzonder interessant. We zullen deze celtherapie gaan combineren met ons onlangs door de FDA goedgekeurde medicijn voor patiënten met moeilijk te behandelen multipel myeloom. We hopen zo patiënten met deze bloedkanker meer opties te kunnen bieden. Bij Sanofi zetten we ons in voor baanbrekende behandelingen om grote medische problemen aan te pakken. Innovatieve allianties zoals die met Kiadis kunnen de klinische voordelen van onze geneesmiddelen vergroten, door combinatie met synergetische geneesmiddelen, om resultaten voor patiënten te verbeteren."

De overeenkomst met Sanofi
Sanofi heeft de exclusieve wereldwijde rechten gekregen om Kiadis' CD38KO K-NK-cellen te ontwikkelen en op de markt te brengen in combinatie met op CD38-gerichte moleculen voor de behandeling van multipel myeloom en andere CD38-positieve bloedkankers. Onlangs ontving Sanofi goedkeuring van de Amerikaanse Food and Drug Administration (FDA) voor Sarclisa®, een monoklonaal antilichaam dat zich richt op CD38, voor de behandeling van multipel myeloom (Ziekte van Kahler). Daarnaast heeft Sanofi de exclusieve rechten verkregen om het K-NK-platform van Kiadis te gebruiken voor twee andere niet nader genoemde preklinische programma's. De licentie omvat geen rechten op K-NK002 en K-NK003 of op andere huidige en toekomstige Kiadis-programma's.

Conform de voorwaarden van deze overeenkomst is Sanofi verantwoordelijk voor en draagt het alle kosten in verband met onderzoek, ontwikkeling, productie, regulatoire activiteiten en verkoop van de gelicentieerde K-NK-programma's. Kiadis heeft de exclusieve rechten behouden om PM21-deeltjes aan Sanofi te leveren en universele donoren voor Sanofi te selecteren, bekostigd door Sanofi.

Dit bericht is een vertaling van het originele Engelstalige persbericht. In geval van verschillen ten gevolge van vertaling of verschillen in interpretatie, geldt het originele Engelstalige persbericht als leidend.

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About Kiadis' K-NK-Cell Therapies
Kiadis' K-NK platform is designed to deliver potent NK cells to help patients. Kiadis' programs consist of off-the-shelf and haploidentical donor NK-cell therapy products for the treatment of liquid and solid tumors as adjunctive and stand-alone therapies.

The Company's PM21 particle technology enables improved *ex vivo* expansion and activation of cytotoxic NK cells supporting multiple high-dose infusions. Kiadis' proprietary off-the-shelf NK-cell platform is based on NK cells from unique universal donors and can make NK-cell therapy product rapidly and economically available for a broad patient population across a wide range of indications.

Kiadis is developing K-NK002 as an adjunctive immunotherapeutic on top of HSCT, and K-NK003 for the treatment of relapse/refractory acute myeloid leukemia. In addition, Kiadis has pre-clinical programs evaluating NK-cell therapy for the treatment of solid tumors.

About Kiadis
Founded in 1997, Kiadis is building a fully integrated biopharmaceutical company committed to developing innovative therapies for patients with life-threatening diseases. With headquarters in Amsterdam, The Netherlands, and activities across the United States, Kiadis is reimagining medicine by leveraging the natural strengths of humanity and our collective immune system to source the best cells for life.

Kiadis is listed on the regulated market of Euronext Amsterdam and Euronext Brussels since July 2, 2015, under the symbol KDS. Learn more at www.kiadis.com.

Forward Looking Statements
Certain statements, beliefs and opinions in this press release are forward-looking, which reflect Kiadis Pharma's or, as appropriate, Kiadis Pharma's officers' current expectations and projections about future events. By their nature, forward-looking statements involve a number of known and unknown risks, uncertainties and assumptions that could cause actual results, performance, achievements or events to differ materially from those expressed, anticipated or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. A multitude of factors including, but not limited to, changes in demand, regulation, competition and technology, can cause actual events, performance, achievements or results to differ significantly from any anticipated or implied development. Forward-looking statements contained in this press release regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. As a result, Kiadis Pharma expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements in this press release as a result of any change in expectations or projections, or any change in events, conditions, assumptions or circumstances on which these forward-looking statements are based. Neither Kiadis Pharma nor its advisers or representatives nor any of its subsidiary undertakings or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this press release or the actual occurrence of the anticipated or implied developments. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release.

Sarclisa® is a registered trademark of Sanofi. For important safety information for Sarclisa, please click here.

[1] Kazandjian. Multiple myeloma epidemiology and survival: A unique malignancy. Semin Oncol. 2016;43(6):676-681. doi:10.1053/j /seminoncol.2016.11.004

[2] National Cancer Institute. Myeloma Cancer Stat Facts. Available at: www.seer.cancer.gov/statfacts/html/mulmy.html. Accessed on July 7, 2020.