Kiadis Pharma announces results for the six months ended June 30, 2019

Kiadis to hold conference call with investors today at 15:00 CEST

Amsterdam, The Netherlands, September 10, 2019 – Kiadis Pharma N.V. ("Kiadis Pharma" or the "Company") (Euronext Amsterdam and Brussels: KDS), a clinical-stage biopharmaceutical company, today announces its unaudited interim results for the six months ended June 30, 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Arthur Lahr, CEO of Kiadis Pharma, commented: *"In the first six months of 2019, through the acquisition of Cytosen, we have transformed Kiadis into a company with two cell therapy platforms to help patients with life-threatening diseases. Kiadis now has a pipeline with therapies in all stages of development focused on both hematopoietic stem cell transplantation (HSCT) and novel cell therapies for patients with cancer. Through these programs we are leveraging the natural strengths of humanity and our collective immune system to source the best cells for life."*

Mr. Lahr continued: *"While the review by the European Medicines Agency of the marketing authorization application continues, we have advanced the global phase 3 study for ATIR101 with major transplant centers in the US, EU, Canada and Israel participating in the study; and we plan to open the NK-REALM transplant phase 1/2 study for CSTD002 and a NK phase 1/2 study to treat AML R/R patients in 2020."*

Operating highlights (including post-reporting period)

- Kiadis' marketing authorization application (MAA) for ATIR101 is currently under review. Kiadis responded to the day 180 outstanding issues in May 2019. In early September, the Committee for Advanced Therapeutics (CAT) convened a Strategic Advisory Group (SAG) related to the review of the application; the next step in the regulatory process is for the application to be reviewed by the CAT in October. The company continues to expect to receive a decision from the EMA in 2020.
- The global phase 3 trial for ATIR101, CR-AIR-009, is ongoing. The study, which will enroll approximately 250 patients, is comparing ATIR101 to the post-transplant cyclophosphamide (PTCy) or 'Baltimore' protocol.
- In June, after receiving customary shareholder approvals, Kiadis closed the transaction to acquire US-based CytoSen Therapeutics, Inc. The combination of Kiadis and CytoSen creates a leader in cell-based cancer immunotherapy, with complementary T-Cell and NK-cell platforms.
- In the first half of 2019, Kiadis raised gross proceeds of €27.6 million through a private placement of 3,684,200 shares. As of June 30, 2019 Kiadis had €62.7 million in cash and cash equivalents.

Financial highlights for the six months ended June 30, 2019 (including post reporting period)

(Amounts in EUR million, except per share data)	**2019**	**2018**	**Change**
Total revenue and other income	**-**	**-**	**-**
Total operating expenses	**(25.7)**	**(11.1)**	**(14.6)**
Research and development	(16.2)	(7.7)	(8.5)
General and administrative	(9.5)	(3.4)	(6.1)
Operating result	**(25.7)**	**(11.1)**	**(14.6)**
Net financial result	**(0.2)**	**(3.0)**	**2.8**
Net result	**(25.9)**	**(14.1)**	**(11.8)**
Net operating cash flow	**(21.4)**	**(10.6)**	**(10.8)**
Cash position at end of period	**62.7**	**60.3**	**2.4**
Equity	**59.7**	**44.1**	**15.6**
Earnings per share before dilution (EUR)	**(1.03)**	**(0.74)**	**(0.29)**

Financial highlights for the six months ended June 30, 2019, presented above and discussed below, include less than one month of activity related to the operations of CytoSen Therapeutics Inc. from the completion of the acquisition in early June 2019. The comparable period of 2018 does not include any results of CytoSen Therapeutics operations.

Operating expenses

- Operating expenses increased to EUR 25.7 million in 2019 from EUR 11.1 million in 2018, an increase of EUR 14.6 million.
- Research and Development expenses increased to EUR 16.2 million in 2019 from EUR 7.7 million in 2018. Without the expenses for share-based compensation, Research and Development expenses increased to EUR 15.3 million in 2019 from EUR 7.3 million in 2018, an increase of EUR 8.0 million. This increase was primarily caused by a further expansion of the workforce in all areas of the organization, clinical expenses related to the CR-AIR-009 study, the move to a larger building which includes a commercial manufacturing facility, laboratories and office space.
- General and Administrative expenses increased to EUR 9.5 million in 2019 from EUR 3.4 million in 2018. Without the expenses for share-based compensation, General and Administrative expenses were EUR 5.4 million higher at EUR 8.4 million in 2019 compared to EUR 3.0 million in 2018. The increase was due to the expansion of the workforce, higher consultancy expenses related to market access preparations, financing rounds and the acquisition of CytoSen.

Operating results

- As a result of the overall increase in total operating expenses, the Group's operating loss increased EUR 14.6 million from EUR 11.1 million in 2018 to EUR 25.7 million in 2019.

Net financial result

- Net finance expenses for 2019 decreased to EUR 0.2 million from EUR 3.0 million in 2018. The decrease of EUR 2.8 million is due to favorable results of the adjustments of loans of EUR 1.2 million, favorable results of net foreign exchange of EUR 1.1 million and favorable fair value adjustments of EUR 0.7 million related to the contingent consideration of CytoSen in 2019 and unfavorable fair value adjustment of derivatives in 2018.

Net result

- As a result of the above items, the loss for the year to date increased by EUR 11.8 million to
  EUR 25.9 million in 2019 versus a loss of EUR 14.1 million in 2018.

Cash position

- The Company strengthened cash position in 2019 with private placements of 3.7 million ordinary shares raising net proceeds of EUR 25.4 million
- The cash position increased by EUR 2.4 million to EUR 62.7 million at June 30, 2019 compared to EUR 60.3 million at the end of 2018. This increase mainly results from the net proceeds of the share offering for a total amount of EUR 25.4 million and EUR 3.1 million cash balances as part of the assets of CytoSen. In 2019, the net operating cash outflow amounted to EUR 21.4 million and further included the acquisition of PP&E, repayments of loans and lease liabilities for a total amount of EUR 4.8 million.
- The Company’s cash position at June 30, 2019 was EUR 62.7 million.

Equity

- The Company's equity position amounted to EUR 59.7 million at June 30, 2019 versus
  EUR 44.1 million at the end of 2018, an increase of EUR 15.6 million. The main drivers of this increase are net proceeds of the share offerings of EUR 25.4 million, shares issued upon the acquisition of CytoSen for EUR 14.5 million, partly offset by the loss for the year of EUR 25.9 million and currency translation of EUR 0.4 million.

Earnings per share

- The undiluted loss per share for 2019 increased to EUR 1.03 compared to EUR 0.74 in 2018.

A full financial report for the six months ended June 30, 2019 is available on Kiadis Pharma’s website at www.kiadis.com/financial-news/.

Conference Call and Presentation
The Kiadis management will host a conference call for analysts and investors today, Tuesday, September 10th at 3:00pm CEST / 2:00pm BST / 9:00am EDT. To participate in the conference call, please call one of the following numbers ten minutes prior to commencement of the call:

Standard International Dial-in Number: +44 (0) 2071 928000
Netherlands, Amsterdam: +31 (0) 2071 43545
UK, London: +44 (0) 84457 18892
Toll free US Dial-in Number: +1 866 966 1396
Conference ID: 3788834

Live webcast**:** https://edge.media-server.com/mmc/p/fn6ptpyf
A live audio webcast of the call can be accessed from the Events section of the Company's website, https://www.kiadis.com/news-and-events/events/.

For more information, please contact:

Kiadis Pharma:
Amy Sullivan, SVP, Corporate Affairs
Tel. +1 508 479 3480
a.sullivan@kiadis.com

Optimum Strategic Communications:
Mary Clark, Supriya Mathur, Hollie Vile
Tel: +44 203 714 1787
David Brilleslijper (Amsterdam)
Tel: +31 610 942 514
kiadis@optimumcomms.com

About Kiadis Pharma
Founded in 1997, Kiadis Pharma is a fully integrated biopharmaceutical company committed to developing innovative therapies for patients life threatening diseases. With headquarters in Amsterdam, the Netherlands, and offices and activities throughout the US and EU, Kiadis Pharma is leveraging the natural strengths of humanity and our collective immune system to source the best cells for life. The Company's shares are listed on Euronext Amsterdam and Brussels under the ticker 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 directors' current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed 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, competition and technology, our ability to successfully integrate Cytosen into our business, can cause actual events, performance or results to differ significantly from any anticipated 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 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 forecasted developments. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release.