



Kiromic BioPharma Arranges Up to \$10 Million Financing

October 27, 2022

Litigation with Sabby and Another Institutional Shareholder Settled

HOUSTON--(BUSINESS WIRE)--Oct. 27, 2022-- **Kiromic BioPharma, Inc. (NASDAQ: KRBP) (“Kiromic” or the “Company”)**, a clinical-stage fully-integrated biotherapeutics company using its proprietary DIAMOND[®] artificial intelligence and data mining platform to develop cell and gene therapies with a focus on immuno-oncology, announces it entered into a Standby Equity Purchase Agreement (the “SEPA”) with YA II PN, LTD, a partnership managed by Yorkville Advisors Global LP, a global investment manager, to sell up to \$8 million of the Company’s stock at any time during the 24 months following the date of the SEPA, subject to the effectiveness of a registration statement with the Securities and Exchange Commission and other conditions.

The SEPA gives Kiromic the right, but not the obligation, to sell up to \$5 million of shares of common stock, which may be increased by an additional \$3 million of shares of common stock, at the Company’s request, subject to terms and limitations set forth in the agreement. The number of shares issuable under the SEPA is limited to a number equivalent to 19.99 % of the outstanding common stock of the Company as of the date of the SEPA agreement unless certain pricing conditions are met, which could have the effect of limiting the total proceeds under the SEPA.

Kiromic separately also secured \$2 million in gross proceeds from a new investor through the issuance of a secured convertible promissory note. The convertible note converts into the Company’s common stock at a conversion price equal to \$0.35 per share.

Following the close of the two financings, Kiromic also announced the completed settlement of its prior litigation with Sabby Capital Management, another institutional shareholder and certain affiliates.

“This equity facility is an important piece of our financing strategy that not only provides flexibility and additional runway towards achieving our clinical milestones, but also enables us to settle a key prior legal issue,” stated Pietro Bersani, Chief Executive Officer of Kiromic. “We believe Yorkville Advisors will be a strong financial partner for us. With the combination of both financings, we have the facilities in place whereby we have the potential to raise up to \$10 million of financing, subject to certain conditions, of which \$2 million has already been secured, and we look forward to ongoing discussions with additional potential investors,” continued Mr. Bersani.

For further information on the SEPA or convertible note, including important terms and conditions, please see Company’s filings with the Securities and Exchange Commission, including the Company’s Current Reports on Form 8-K filed with the Securities and Exchange Commission.

About Kiromic BioPharma

Kiromic BioPharma, Inc. is a clinical-stage, fully integrated biotherapeutics company using its proprietary DIAMOND[®] artificial intelligence (AI) 2.0 target discovery engine to detect, develop, and commercialize cell and gene therapies with a therapeutic focus on immuno-oncology. Kiromic is developing a multi-indication allogeneic cell therapy platform that exploits the natural potency of Gamma Delta T-cells to target solid cancers. Kiromic’s DIAMOND[®] AI is where data science meets target identification to dramatically compress the years and hundreds of millions of dollars required to develop a live drug. The Company maintains offices in Houston, Texas. To learn more, visit www.kiromic.com and connect with us on Twitter and LinkedIn.

Forward-Looking Statements

This press release contains forward-looking statements that involve substantial risks and uncertainties. Kiromic makes such forward-looking statements pursuant to the safe harbor provisions of the United States Private Securities Litigation Reform Act, Section 21E of the Securities Exchange Act of 1934, as amended, and other federal securities laws. All statements other than statements of historical facts are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as: “will,” “potential,” “could,” “can,” “believe,” “intends,” “continue,” “plans,” “expects,” “anticipates,” “estimates,” “may,” or the negative of these terms or other comparable terminology. These forward-looking statements include, but are not limited to, statements regarding: Kiromic’s ability to achieve its objectives; Kiromic’s financing strategy and availability of funds; and the ability to issue shares under the SEPA. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance, or achievements to be materially different from the information expressed or implied expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties discussed in our Annual Report on Form 10-K for the year ended December 31, 2021, and as detailed from time to time in our other SEC filings, and the terms and conditions of the SEPA, including the requirements to have an effective registration statements, share caps in the SEPA and the terms and conditions of the SEPA, including with respect to volume and pricing requirements. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Such forward-looking statements relate only to events as of the date of this press release. We undertake no obligation to update any forward-looking statements except to the extent required by law. There can be no assurance that any sales will occur under the SEPA.

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