

Kiromic BioPharma Nasdaq Delisting Statement and Frequently Asked Questions and Answers

Statement:

On September 12, 2023 Kiromic received notice that the Company's common stock will be delisted from the Nasdaq Capital Market as of September 14, 2023.

Effective with the market open on September 14, 2023, the Company's common stock will be quoted on the Pink Sheets platform operated by OTC Markets Group and will continue to trade under the "KRBP" ticker symbol.

The Company's stock will be quoted on the OTC Pink[®] Open Market while it pursues an uplisting to the OTCQB exchange.

Kiromic intends to continue providing information to its stockholders consistent with its past practices, and is taking actions to facilitate uninterrupted trading and the quoting of its common stock on the Pink Sheets or another OTC market.

Frequently Asked Questions and Answers:

- 1. Q: Why is KRBP delisting from the Nasdaq and moving trading to the OTC Pink Sheets?**
- 1. A:** Nasdaq's decision to delist KRBP is due to non-compliance with Listing Rule 5550(b)(1) by September 11, 2023. The three requirements of Listing Rule 5550(b)(1) are:
 - (1) Equity Standard: Stockholders' equity of at least \$2.5 million;
 - (2) Market Value of Listed Securities Standard: Market Value of Listed Securities of at least \$35 million; or
 - (3) Net Income Standard: Net income from continuing operations of \$500,000 in the most recently completed fiscal year or in two of the three most recently completed fiscal years.Given the less-stringent compliance requirements of the OTC Markets, KRBP will be traded on the Pink Sheets until it is able to up-list to another exchange.

- 2. Q: How will this transition impact current shareholders?**
- 2. A:** Our current shareholders will not be impacted. While KRBP shares will no longer be traded on the Nasdaq, shareholders will still be able to trade them on the OTC Pink Sheets through their brokerage account.

- 3. Q: Will the stock symbol remain the same: KRBP?**
- 3. A:** Yes, KRBP will remain our stock symbol on the OTC Pink Sheets.

4. Q: Will KRBP continue to publish financial statements and updates?

4. A: Yes, KRBP remains committed to maintaining transparency with its shareholders. While the reporting requirements are different on the OTC Pink Sheets, the Company will continue to file regular financial statements and provide updates consistent with Nasdaq requirements and past practices.

5. Q: Are there any anticipated changes to the company's management team or business strategy following this transition?

5. A: No, there are no changes anticipated to the company's management team or core business strategy. Kiromic continues to focus on the launch of its Deltacel clinical trial.

6. Q: Is there a possibility for KRBP to re-list on the Nasdaq or another major exchange in the future?

6. A: It is our intention to pursue an up-list to the OTCQB exchange as soon as practical, although it's premature to provide a timeline for doing so. In time, we intend to pursue a re-listing on Nasdaq. We are already in the process of applying to the OTCQB exchange.

7. Q: How does the OTC Pink Sheets differ from the Nasdaq in terms of trading and regulations?

7. A: The OTC Pink Sheets is an over-the-counter (OTC) market, which means it doesn't have the same stringent listing and reporting requirements as exchanges like the Nasdaq. As a result, companies that trade on the OTC Pink Sheets might have less liquidity and transparency.

That said, as part of amendment to Rule 15c2-11.2 made in 2020, it is also now necessary for Pink Sheets companies to update investors about their performance. Broker-dealers and other market makers are no longer able to publish quotations for stocks that do not provide publicly available information about their financials according to the guidelines set out by OTC Market Group. Disclosure requirements include publishing quarterly and annual financials, which don't need to be audited but must be prepared according to U.S. GAAP or International Financial Reporting Standards (IFRS). Regardless, Kiromic intends to continue to uphold Nasdaq requirements when it comes to disclosure.

8. Q: What other OTC Markets exchanges is KRBP considering after the Pink Sheets?

8. A: OTC Market Group has several regulated main marketplaces for trading OTC stocks: OTCQX, OTCQB, and the Pink market. Each of these markets has varying levels of financial standards and regulatory oversight. The OTCQX carries the most stringent requirements, followed by the OTCQB and then the Pink market.

The OTCQX is made up mainly of blue-chip stocks from overseas. Shell companies, penny stocks and those facing bankruptcy cannot trade on this market.

The middle tier, known as OTCQB or the Venture Market, consists of early-stage and developing U.S. and international companies not yet able to qualify for the OTCQX. To qualify, companies must be current in their reporting, undergo an annual verification and management certification process, meet a \$0.01 bid test and not be in bankruptcy.

9. Q: What should investors expect in the near term following this transition?

9. A: There might be some short-term market reactions given lower average trading volumes in the OTC Pink Sheets.

10. **Q: Will this transition affect any ongoing partnerships or business operations?**
10. A: No, the transition from the Nasdaq to the OTC Pink Sheets is primarily a financial and regulatory decision and does not impact the company's day-to-day operations or ongoing partnerships.
11. **Q: What do I do with my brokerage firm to keep my KRBP shares in my account?**
11. A: There is no action required by shareholders to keep your KRBP shares in your current account.
12. **Q: Do I now need to do anything differently or fill out any new forms to buy or sell KRBP shares?**
12. A: No, there is no action required by shareholders to buy or sell KRBP shares on the Pink Sheets.
13. **Q: Does the value of my shares go down or perhaps up with this transition?**
13. A: Listing on the Pink Sheets does not directly impact a company's intrinsic value. However, perception, liquidity and access to capital can affect the stock price and, consequently, the company's market valuation.
14. **Q: Does the CUSIP number change for my shares?**
14. A: No, the CUSIP number does not change.
15. **Q: Do the number of KRBP shares outstanding change with this transition?**
15. A: No, the number of KRBP shares outstanding does not change with this transition.
16. **Q: Are trading commissions higher or lower on the Pink Sheets?**
16. A: Trading commissions vary by brokerage, but typically are the same regardless of which exchange the security trades on.
17. **Q: The SEC filing requirements are far lower for Pink Sheet companies. Does KRBP intend to continue to uphold the full Nasdaq requirements when it comes to disclosure?**
17. A: Yes, KRBP intends to continue to operate according to full Nasdaq disclosure requirements.
18. **Q: How long might it take to move trading to the OTC market, and how long after that will it take to get KRBP back on Nasdaq?**
18. A: We cannot speculate at this time, but we are committed to up-listing our shares as soon as possible.
19. **Q: While on an OTC exchange, can Kiromic continue to raise capital through public offerings?**
19. A: Kiromic believes that being listed on an OTC exchange would not preclude a capital raise from institutional investors.

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