



Kiadis Shareholders give irrevocable commitment to tender 36.6% of the shares under the offer by Sanofi

February 2, 2021

This is a joint press release by Sanofi ("Sanofi") and Kiadis Pharma N.V. ("Kiadis"), pursuant to the provisions of Sections 5 paragraphs 4 and 5 and Section 6 paragraph 2 of the Dutch Decree on Public Takeover Bids (Besluit openbare biedingen Wft) (the "Decree") in connection with the intended public offer by Sanofi for all the issued and outstanding ordinary shares in the capital of Kiadis (the "Offer"). This announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities. Any offer will be made only by means of an offer memorandum (the "Offer Document") approved by the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten) (the "AFM") and recognized by the Belgian Authority for the Financial Markets (Autoriteit voor Financiële Diensten en Markten) (the "FSMA"). This announcement is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, the United States, Canada and Japan or in any other jurisdiction in which such release, publication or distribution would be unlawful.

Kiadis Shareholders give irrevocable commitment to tender 36.6% of the shares under the offer by Sanofi

Paris, France and Amsterdam, The Netherlands, 2 February 2021 – Sanofi (Euronext: SAN and NYSE: SNY) and Kiadis Pharma N.V. ("Kiadis" or the "Company") (Euronext Amsterdam and Brussels: KDS)

Reference is made to the joint press release by Sanofi and Kiadis dated 2 November 2020 in respect of the Offer to be made by Sanofi at an offer price of EUR 5.45 in cash per share (cum dividend) (the "Offer Price").

Highlights:

- **36.6% Shares issued and outstanding on a fully diluted basis, now committed under the Offer**
- **Kiadis and Sanofi reached agreement with Empery, Life Sciences Partners, former CytoSen shareholders and option holders and Kreos Capital in relation to their rights to acquire Shares and their irrevocable commitment to tender all their Shares under the Offer**

Today, Sanofi and Kiadis jointly announce the entering into of irrevocable undertakings with (i) Empery Asset Master Ltd., Empery Tax Efficient, LP and Empery Tax Efficient III, LP (jointly "Empery"), (ii) funds managed by Life Sciences Partners (jointly "Life Sciences Partners"), (iii) former CytoSen Therapeutics Inc. ("CytoSen") shareholders and option holders, and (iv) Kreos Capital V (UK) Limited ("Kreos Capital").

36.6% Shares issued and outstanding on a fully diluted basis, now committed under the Offer

As set out in the joint press release by Sanofi and Kiadis dated 2 November 2020, Life Sciences Partners have previously undertaken to tender their current shareholding under the Offer. Together with the additional irrevocable undertakings given by Empery, Life Sciences Partners, the former CytoSen shareholders and option holders and Kreos Capital, approximately 36.6% of the total number of issued and outstanding ordinary shares in the capital of Kiadis, each with a nominal value of EUR 0.10 (the "Shares") on a fully diluted basis as at settlement of the Offer is now committed under the Offer.

Irrevocable Empery and Life Sciences Partners

Empery and Life Sciences Partners hold 3,745,318¹ and 1,493,429² warrants (the "Warrants"), respectively, and when exercised representing 6.13% and 2.44%, respectively, of the issued and outstanding Shares on a fully diluted basis as at settlement of the Offer.

Kiadis, Sanofi, Empery and Life Sciences Partners have agreed, pursuant to two separate agreements on customary terms and conditions and conditional upon the Offer being declared unconditional and the merger agreement between Sanofi and Kiadis (the "Merger Agreement") not being terminated: (i) to adjust the exercise price payable by Empery and Life Sciences Partners to Kiadis for the exercise of the Warrants to EUR 0.38 per Warrant, such that the net proceeds to be received by Empery and Life Sciences Partners per Warrant is equal to the Black Scholes value of the Warrant which would otherwise have been due and payable in cash upon settlement of the Offer; (ii) that the Warrants will be exercised by Life Sciences Partners and Empery for the aforementioned exercise price; and (iii) that upon exercise of the Warrants, the corresponding Shares will be tendered under the Offer in exchange for payment of the Offer Price per Share by Sanofi. The irrevocable undertakings given by Empery and Life Sciences Partners relate to their entire respective holdings of Warrants.

Irrevocable former CytoSen shareholders and option holders

Former CytoSen shareholders and option holders are, pursuant to the agreement made in relation to the Company's acquisition of CytoSen in June 2019, eligible to a potential future consideration of additional Shares, upon the achievement of six clinical development and regulatory milestones, which milestones will be accelerated in light of the Kiadis change of control, subject to a discount mechanism (the "Milestone Shares").

Kiadis, Sanofi and the former CytoSen shareholders³ and option holders⁴ have agreed, on customary terms and conditions and conditional upon the Offer being declared unconditional and the Merger Agreement not being terminated: (i) that the Milestone Shares shall accelerate and become immediately payable by the Company; and (ii) that upon such acceleration, the Milestone Shares will be tendered under the Offer in exchange for the

Offer Price. The irrevocable undertakings given by the former CytoSen shareholders and option holders relate to their entire holdings of Shares, representing 11.19% of the total number of issued and outstanding Shares as at settlement of the Offer on a fully diluted basis. The former CytoSen shareholders have also agreed to vote, with their current holding of Shares, in favor of the resolutions relating to the Offer (the "**Resolutions**") at the upcoming extraordinary general meeting of Kiadis.

Irrevocable Kreos Capital

Kiadis and Kreos Capital have agreed that Kreos Capital will convert into Shares, at an exercise price of EUR 2 per Share, its entire convertible bond of EUR 5,000,000, plus an additional amount of EUR 171,015 in interest, effective as per 15 February 2021. In addition, Kiadis, Sanofi and Kreos Capital have agreed, on customary terms and conditions and conditional upon the Offer being declared unconditional and the Merger Agreement not being terminated, that Kreos Capital: (i) will vote with its holdings of Shares in favor of the Resolutions at the upcoming extraordinary general meeting of Kiadis; and (ii) commits to tender all its holdings of Shares under the Offer in exchange for payment of the Offer Price per Share by Sanofi. The irrevocable undertaking given by Kreos Capital relates to its entire holding of Shares, representing, upon conversion, 4.35% of the total number of issued and outstanding Shares as at settlement of the Offer on a fully diluted basis.

Miscellaneous

Empery, Life Sciences Partners, the former CytoSen shareholders and option holders and Kreos Capital have not received any information in connection with the Offer other than: (i) the information that will be included in the Offer Document; or (ii) the information disclosed in this press release.

As at the date of this press release: (i) Sanofi does not hold any shares in the capital of Kiadis, Empery, Life Sciences Partners, any of the former CytoSen shareholders or option holders, or Kreos Capital; and (ii) Kiadis does not hold any shares in the capital of Sanofi, Empery, Life Sciences Partners, any of the former CytoSen shareholders or option holders, or Kreos Capital.

HIERONDER VOLGT EEN VERTALING VAN HET OORSPRONKELIJK IN DE ENGELSE TAAL OPGESTELDE PERSBERICHT EN WORDT UITSLUITEND VOOR INFORMATIEVE DOELEINDEN VERSTREKT. IN GEVAL VAN VERSCHILLEN TUSSEN BEIDE VERSIES PREVALEERT DE ENGELSE TEKST. AAN DE VERTALING KUNNEN GEEN RECHTEN WORDEN ONTLEEND

Parijs, Frankrijk en Amsterdam, Nederland, 2 februari 2021 – Sanofi (Euronext: SAN en NYSE: SNY) en Kiadis Pharma N.V. ("Kiadis" of de "Vennootschap") (Euronext Amsterdam en Brussels: KDS)

Verwezen wordt naar het gezamenlijke persbericht van Sanofi en Kiadis van 2 november 2020 met betrekking tot het voorgenomen openbaar bod (het "**Bod**") dat door Sanofi zal worden uitgebracht tegen een biedprijs van EUR 5,45 in contanten (cum dividend) per aandeel (de "**Biedprijs**").

Hoogtepunten

- 36,6% van de uitstaande aandelen op volledig verwaterde basis zijn nu toegezegd onder het Bod
- Kiadis en Sanofi hebben overeenstemming bereikt met Empery, Life Sciences Partners, de voormalig aandeelhouders en optiehouders van CytoSen en Kreos Capital met betrekking tot hun rechten om Aandelen te verwerven en hun onherroepelijke toezegging om al hun aandelen aan te melden onder het Bod

Vandaag kondigen Sanofi en Kiadis gezamenlijk aan dat er onherroepelijke toezeggingen zijn gedaan door (i) Empery Asset Master Ltd., Empery Tax Efficient, LP en Empery Tax Efficient III, LP (gezamenlijk "**Empery**"), (ii) fondsen beheerd door Life Sciences Partners (gezamenlijk "**Life Sciences Partners**"), (iii) de voormalige aandeelhouders en optiehouders in CytoSen Therapeutics Inc. ("**CytoSen**"), en (iv) Kreos Capital V (UK) Limited ("**Kreos Capital**").

36,6% van de Aandelen op volledig verwaterde basis nu toegezegd onder het Bod

Zoals uiteengezet in het gezamenlijke persbericht van Sanofi en Kiadis van 2 november 2020, heeft Life Sciences Partners eerder toegezegd zijn belang van ongeveer 18,3% onder het Bod aan te melden. Samen met de aanvullende onherroepelijke toezeggingen van Empery, Life Sciences Partners, de voormalige aandeelhouders en optiehouders van CytoSen en Kreos Capital zijn ongeveer 36,6% van het totale aantal uitstaande gewone aandelen in het kapitaal van Kiadis, elk met een nominale waarde van EUR 0,10 (de "**Aandelen**") op volledig verwaterde basis op het moment van *settlement* van het Bod nu toegezegd onder het Bod.

Onherroepelijke toezegging Empery en Life Sciences Partners

Empery en Life Sciences Partners bezitten respectievelijk 3.745.318⁵ en 1.493.429⁶ warrants (de "**Warrants**"), en vertegenwoordigen bij uitoefening daarvan respectievelijk 6,13% en 2,44% van de Aandelen op volledig verwaterde basis op het moment van *settlement* van het Bod.

Kiadis, Sanofi, Empery en Life Sciences Partners zijn overeengekomen, op grond van twee afzonderlijke overeenkomsten onder gebruikelijke voorwaarden, en op voorwaarde dat het Bod gestand wordt gedaan en de fusieovereenkomst tussen Sanofi en Kiadis (de "**Fusieovereenkomst**") niet wordt beëindigd: (i) om de uitoefenprijs die Empery en Life Sciences Partners aan Kiadis moeten betalen voor de uitoefening van de Warrants aan te passen naar EUR 0,38 per Warrant, zodat de netto-opbrengst die Empery en Life Sciences Partners per Warrant zullen ontvangen gelijk is aan de *Black Scholes*-waarde van de Warrant die anders in contanten verschuldigd en betaalbaar zou zijn bij *settlement* van het Bod; (ii) dat de Warrants door Life Sciences Partners en Empery zullen worden uitgeoefend voor de bovengenoemde uitoefenprijs; en (iii) dat bij uitoefening van de Warrants, de corresponderende Aandelen zullen worden aangemeld onder het Bod tegen betaling van de Biedprijs per Aandeel door Sanofi. De onherroepelijke toezeggingen afgegeven door Empery en Life Sciences Partners hebben betrekking op hun volledige respectievelijke bezit aan Warrants.

Onherroepelijke toezegging voormalige aandeelhouders en optiehouders van CytoSen

De voormalige aandeelhouders en optiehouders van CytoSen komen, overeenkomstig de overeenkomst die is gesloten met betrekking tot de overname van CytoSen door de Vennootschap in juni 2019, in aanmerking voor mogelijke toekomstige vergoeding in de vorm van aanvullende Aandelen, na het behalen van zes klinische- en regelgevingsmijlpalen, welke mijlpalen naar voren zullen worden gehaald in het licht van de verandering van controle over Kiadis, met inachtneming van een kortingsmechanisme (de "**Mijlpalaandelen**").

Kiadis, Sanofi en de voormalige aandeelhouders⁷ en optiehouders⁸ van CytoSen zijn overeengekomen, onder gebruikelijke voorwaarden en op voorwaarde dat het Bod onvoorwaardelijk wordt verklaard en de Fusieovereenkomst niet wordt beëindigd: (i) dat de Mijlpaalaandelen naar voren worden gehaald en onmiddellijk door de Vennootschap betaalbaar zijn; en (ii) dat na het naar voren halen, de Mijlpaalaandelen zullen worden aangemeld onder het Bod tegen de Biedprijs. De onherroepelijke toezeggingen die zijn afgegeven door de voormalige aandeelhouders en optiehouders van CytoSen hebben betrekking op hun volledige Aandelenbezit, wat neerkomt op 11,19% van het totale aantal uitstaande Aandelen op het moment van *settlement* van het Bod op volledig verwaterde basis. De voormalige aandeelhouders van CytoSen zijn ook akkoord gegaan om, met hun huidige Aandelenbezit, voor de besluiten te stemmen die betrekking hebben op het Bod (de "**Besluiten**") op de aankomende buitengewone algemene vergadering van Kiadis.

Onherroepelijke toezegging Kreos Capital

Kiadis en Kreos Capital zijn overeengekomen dat Kreos Capital zijn volledige converteerbare obligaties van EUR 5.000.000 zal converteren naar Aandelen, tegen een uitoefenprijs van EUR 2 per Aandeel, plus een bijkomend bedrag van EUR 171.015 in rente, ingaande op 15 februari 2021. Bovendien zijn Kiadis, Sanofi en Kreos Capital onder gebruikelijke voorwaarden en op voorwaarde dat het Bod gestand wordt gedaan en de Fusieovereenkomst niet wordt beëindigd, overeengekomen dat Kreos Capital: (i) met zijn Aandelenbelangen voor de Besluiten zal stemmen op de aankomende buitengewone algemene vergadering van Kiadis; en (ii) zich ertoe verbindt om al zijn Aandelenbelangen aan te melden onder het Bod tegen betaling van de Biedprijs per Aandeel door Sanofi. De onherroepelijke toezegging die Kreos Capital heeft gedaan, heeft betrekking op haar gehele aandelenbezit, die na conversie 4,35% van het totale aantal uitstaande Aandelen vertegenwoordigt op het moment van *settlement* van het Bod op volledig verwaterde basis.

Overig

Empery, Life Sciences Partners, de voormalige aandeelhouders en optiehouders van CytoSen en Kreos Capital hebben geen informatie ontvangen in verband met het Bod anders dan (i) de informatie die in het Biedingsbericht zal worden opgenomen; of (ii) de informatie die is bekendgemaakt door middel van dit persbericht.

Op de datum van dit persbericht: (i) houdt Sanofi geen aandelen in het kapitaal van Kiadis, Empery, Life Sciences Partners, een van de voormalige aandeelhouders of optiehouders van CytoSen, of Kreos Capital; en (ii) houdt Kiadis geen aandelen in het kapitaal van Sanofi, Empery, Life Sciences Partners, een van de voormalige aandeelhouders of optiehouders van CytoSen, of Kreos Capital.

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About Kiadis

Founded in 1997, Kiadis is committed to developing innovative cell-based medicines for patients with life-threatening diseases. With headquarters in Amsterdam, The Netherlands, and offices 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.

About Sanofi

Sanofi is dedicated to supporting people through their health challenges. It is a global biopharmaceutical company focused on human health. Sanofi prevents illness with vaccines and provides innovative treatments to fight pain and ease suffering. Sanofi stands by the few who suffer from rare diseases and the millions with long-term chronic conditions.

With more than 100,000 people in 100 countries, Sanofi is transforming scientific innovation into healthcare solutions around the globe.

Sanofi, Empowering Life

Disclaimer

This is a joint public announcement by Kiadis and Sanofi pursuant to section 7 paragraph 1 sub a and contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

The information in the press release is not intended to be complete. This announcement is for information purposes only and does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities.

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Kiadis Forward-Looking Statements

Certain statements, beliefs and opinions in this press release are forward-looking, which reflect Kiadis' or, as appropriate, Kiadis' 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 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 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.

Sanofi Forward-Looking Statements

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans" and similar expressions. Although Sanofi's management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Sanofi, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, risks related to Sanofi's ability to complete the acquisition on the proposed terms or on the proposed timeline, the possibility that competing offers will be made, other risks associated with executing business combination transactions, such as the risk that the businesses will not be integrated successfully, that such integration may be more difficult, time-consuming or costly than expected or that the expected benefits of the acquisition will not be realized, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug, device or biological application that may be filed for any such product candidates as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of such product candidates, the fact that product candidates if approved may not be commercially successful, the future approval and commercial success of therapeutic alternatives, Sanofi's ability to benefit from external growth opportunities, to complete related transactions and/or obtain regulatory clearances, risks associated with intellectual property and any related pending or future litigation and the ultimate outcome of such litigation, trends in exchange rates and prevailing interest rates, volatile economic and market conditions, cost containment initiatives and subsequent changes thereto, and the impact that COVID-19 will have on us, our customers, suppliers, vendors, and other business partners, and the financial condition of any one of them, as well as on our employees and on the global economy as a whole. Any material effect of COVID-19 on any of the foregoing could also adversely impact us. This situation is changing rapidly and additional impacts may arise of which we are not currently aware and may exacerbate other previously identified risks. The risks and uncertainties also include the uncertainties discussed or identified in the public filings with the SEC and the AMF made by Sanofi, including those listed under "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in Sanofi's annual report on Form 20-F for the year ended December 31, 2019. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.

¹ Issued on 28 April 2020.

² Issued on 30 April 2020.

³ Reference is made to the press release issued by Kiadis on 7 December 2020 regarding holdback shares, in which the names of the former CytoSen shareholders are set out.

⁴ The former CytoSen option holders are as follows: Mr. Caligiuri, Mr. Carrier, Mr. Chen, Mr. Crouch, Mr. Fehniger, Mr. Gibson, Ms. Heslop, Mr. June, Mr. Miller and Mr. Shan.

⁵ Uitgegeven op 28 april 2020.

⁶ Uitgegeven op 30 april 2020.

⁷ Verwezen wordt naar het persbericht van Kiadis van 7 december 2020 betreffende 'holdback'-aandelen, waarin de namen van de voormalige

aandeelhouders van CytoSen worden vermeld.

⁸ The voormalige optiehouders van CytoSen zijn als volgt: dhr. Caligiuri, dhr. Carrier, dhr. Chen, dhr. Crouch, dhr. Fehniger, dhr. Gibson, mevr. Heslop, dhr. June, dhr. Miller en dhr. Shan.