SAB Biotherapeutics Announces Q3 2023 Financial Results and Provides Company Updates

November 14, 2023

Raises combined $67.1M in private placement plus Tranche warrant exercise with syndicate of leading investors

Received approval by the Human Research Ethics Committee (HREC) to commence a First-in-Human Phase 1 clinical trial investigating SAB-142 in Australia

Appoints Michael G. King Jr. as new Chief Financial Officer

SIOUX FALLS, S.D., Nov. 14, 2023 (GLOBE NEWSWIRE) -- SAB Biotherapeutics, Inc. (Nasdaq: SABS), a clinical-stage biopharmaceutical company with a novel immunotherapy platform that is developing fully-human anti-thymocyte immunoglobulin (hIgG) for delaying the onset or progression of type 1 diabetes (T1D), today reported financial results for the third quarter ended October 31, 2023, and provided a company update.

"The third quarter of 2023 was a pivotal growth point for SAB as we advance SAB-142, our T1D immunotherapy. The recently-announced private placement offering has paved the way for advancement of SAB-142 in clinical trials, sustaining our operations through 2026 and topline Phase 2 results," said Eddie J. Sullivan, Ph.D., Co-Founder, President, and Chief Executive Officer of SAB Biotherapeutics. "We continue to add senior expertise to our team, including the hiring of Mike King as our Chief Financial Officer and the election of Andrew Moin of Sessa Capital to our Board of Directors. Given this growth and our recent clinical milestones, I am confident in our mission to provide critical immunotherapeutic options to T1D patients."

Pipeline Updates and Anticipated Milestones

SAB continues to execute on its strategy for the development of proprietary immunotherapeutic fully-human antibodies, or fully-human immunoglobulins (hIgGs), to treat and prevent immune and autoimmune disorders with a strategic focus on T1D disease modification.

Clinical/Regulatory Update:

- Received approval by the Human Research Ethics Committee (HREC) to commence a First-in-Human Phase 1 clinical trial investigating SAB-142 in Australia. The Phase 1 trial will evaluate the company's lead therapeutic candidate, SAB-142, a first in-class hIgG being developed as a disease-modifying treatment to delay the onset and progression of T1D. The trial is designed to evaluate the safety, tolerability, pharmacokinetics, and pharmacodynamics of SAB-142. Approval by the HREC is confirmation that SAB has successfully completed all pre-clinical safety and efficacy testing required to commence a Phase 1 clinical trial.
- Received Acknowledgement of a Clinical Trial Notification (CTN) from the Australian Government Department of Health Therapeutic Goods Administration (TGA) submitted for the Phase 1 study.
- Successfully registered the Phase 1 trial with the Australian New Zealand Clinical Trials Registry (ANZCTR). More information about the Phase 1 clinical trial with SAB-142 (ACTRN:12623001089628) can be found here.
- Phase 1 First-in-Human trial expected to commence Q42023 in Australia.
- US IND filing anticipated in 2024.

Strategy Update:

- Announced the Company has entered into a private placement offering that will provide up to $110 million in gross proceeds to SAB, which will used to clinically advance SAB-142, and is expected to advance to clinical trials in Q4 2023. SAB-142 is a fully-human alternative to rabbit anti-thymocyte globulin (rATG). SAB-142's mechanism of action is similar to that of rATG, which has been clinically validated in multiple clinical trials for T1D, demonstrating the ability to slow down disease progression in patients with new or recent onset of Stage 3 T1D.

  The full proceeds, when funded, are expected to fund the company through 2026 and through topline Phase 2 results. Participating investors include Sessa Capital, BVF Partners, RTW Investments, Marshall Wace, ATW and the JDRF T1D Fund. The Offering will include several tranches as outlined in the Company's filings with the SEC (including a current report on Form 8-K being filed on October 2, 2023).

  Two tranches have been completed to date:

- Issuance of Series A-1 Preferred Stock, the first tranche of the $110 million in private financing, totaling approximately $7.5 million of gross proceeds was closed on October 5, 2023.
- Issuance of Series A-1 Preferred Stock or Series A-3 Preferred Stock, the second tranche of the $110 million in private financing, totaling approximately $59.6 million of gross proceeds was completed on November 10, 2023.

Management Updates:

- Announced Michael G. King Jr. as new Chief Financial Officer. Mr. King has extensive experience and prior success as an award-winning biotechnology research analyst and senior advisor with more than 25 years of experience with investors, banking institutions and thought leaders in various pharmaceutical disciplines. His record of achievement includes successful engagements with Hambrecht & Quist, Alex Brown & Sons, Robertson Stephens, Vector Securities, Bank of America, Rodman & Renshaw, JMP Securities, and HC Wainwright. Most recently, Mr. King was Co-Head of Healthcare Research at EF Hutton Group.
- Appointed Andrew Moin, Partner and Analyst at Sessa Capital, a New York based investment advisor registered with the SEC, to the SAB Board of Directors. Mr. Moin has been with Sessa since 2012, where he works on idea generation, research, and investment implementation. He has also been deeply involved in the type 1 diabetes community for over 20 years, including as a volunteer and member of the Young Leadership Committee of the New York City Chapter of the JDRF and an early supporter of multiple fundamental diabetes research and innovation projects.
- Russell P. Beyer, former EVP and Chief Financial Officer, departed the Company effective October 27, 2023.

Q3 2023 Financial Results

Financial Guidance: Based on its current operating plans, SAB reaffirms that it expects its existing business plan, cash and cash equivalents, and anticipated cash flows will be sufficient to fund its operating expenses and capital expenditure requirements through the third quarter of fiscal year 2025.

- **Research and Development (R&D) Expenses:** R&D expenses were $4.0 million for three months ended September 30, 2023, compared to $7.4 million for the three months ended September 30, 2022. R&D expenses were $12.2 million for the nine months ended September 30, 2023, compared to $29.3 million for the nine months ended September 30, 2022. The decrease was primarily due to targeted cost reduction measures pausing certain unfunded research activities for our COVID-19 therapeutic and prioritizing our focus in the autoimmunity space with SAB-142, a disease-modifying fully human hIgG aimed at preventing onset or disease progression of Type 1 Diabetes.
- **General and Administrative (G&A) Expenses:** G&A expenses were $2.6 million for the three months ended September 30, 2023, compared to $4.0 million for the three months ended September 30, 2022. G&A expenses were $8.9 million for the nine months ended September 30, 2023, compared to $13.5 million for the nine months ended September 30, 2022. The decrease was primarily due to discretionary cost reduction measures and increased efficiencies as we continue to mature as a publicly traded company.
- **Net Loss:** Net loss was $5.1 million for the three months ended September 30, 2023, for an earnings per basic and diluted share of $(0.10), as compared to a net loss of $7.1 million for the three months ended September 30, 2022, for an earnings per basic and diluted share of $(0.16). Net loss was $19.4 million for the nine months ended September 30, 2023, for an earnings per basic and diluted share of $(0.38), as compared to a net loss of $10.9 million for the nine months ended September 30, 2022, for an earnings per basic and diluted share of $(0.25).

About SAB Biotherapeutics, Inc.
SAB Biotherapeutics (SAB) is a clinical-stage biopharmaceutical company focused on developing fully human, multi- targeted, high-potency immunoglobulins (IgGs), without the need for human donors or convalescent plasma, to treat and prevent immune and autoimmune disorders. The company's lead asset, SAB-142, targets type 1 diabetes (T1D) with a disease-modifying therapeutic approach that aims to change the treatment paradigm by delaying onset and potentially preventing disease progression. Using advanced genetic engineering and antibody science to develop Transchromosomic (Tc) Bovine™, the only transgenic animal with a human artificial chromosome, SAB's DiversitAb™ drug development production system is able to generate a diverse repertoire of specifically targeted, high-potency, fully-human IgGs that can address a wide range of serious unmet needs in human diseases without the need for convalescent plasma or human donors. For more information on SAB, visit: https://www.SAb.bio/ and follow SAB on Twitter and LinkedIn.

Forward-Looking Statements
Certain statements made herein that are not historical facts are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "to be," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook," and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding future events, including the development and efficacy of our T1D program, and other discovery programs, the closing of each tranche of the Company's private placement offering, the timely funding to the Company by each investor in the private placement offering, financial projections and future financial and operating results (including estimated cost savings and cash runway), the outcome of and potential future government, and other third-party collaborations or funded programs.

These statements are based on the current expectations of SAB and are not predictions of actual performance, and are not

intended to serve as, and must not be relied on, by any investor as a guarantee, prediction, definitive statement, or an assurance, of fact or probability. These statements are only current predictions or expectations, and are subject to known and unknown risks, uncertainties and other factors which may be beyond our control. Actual events and circumstances are difficult or impossible to predict, and these risks and uncertainties may cause our or our industry's results, performance, or achievements to be materially different from those anticipated by these forward-looking statements. A further description of risks and uncertainties can be found in the sections captioned "Risk Factors" in our most recent annual report on Form 10-K, as amended, subsequent quarterly reports on Form 10-Q, as may be amended or supplemented from time to time, and other filings with or submissions to, the U.S. Securities and Exchange Commission, which are available at https://www.sec.gov/. Except as otherwise required by law, SAB disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date they were made, whether as a result of new information, future events, or circumstances or otherwise.

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