SAB Biotherapeutics Announces Completion of $67.1 Million Financing to Advance Potential Disease-Modifying Treatment for Type 1 Diabetes

November 14, 2023

- **Funding will support development of SAB-142, a potential disease-modifying therapy for type 1 diabetes and other autoimmune conditions**
- **Participating investors include Sessa Capital, BVF Partners, RTW Investments, Marshall Wace, ATW, and the JDRF T1D Fund**

- **Funds are expected to sustain development of SAB-142 through Phase 1 trial**

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 of progression of type 1 diabetes (T1D), today announced the funding of the second tranche of a previously-announced financing, raising total aggregate proceeds to date of $67.1 million. The proceeds from the financing will be used to fund the development of the company's lead research program, SAB-142, a potential disease modifying treatment for T1D.

Tranche B warrants remain outstanding, which if exercised, would result in a total of $110 million in proceeds in this financing.

Participating investors included Sessa Capital, BVF Partners, RTW Investments, Marshall Wace, ATW, and the JDRF T1D Fund. The investment will move human trials forward for SAB's lead research program, which was recently granted approval by Australian authorities to begin a first-in-human Phase 1 clinical study of SAB-142, the first fully-human anti-thymocyte immunoglobulin (ATG), with plans to pursue an investigational new drug application with the U.S. Food and Drug Administration (FDA). SAB-142 directly targets multiple immune cells involved in destroying insulin-producing pancreatic beta cells to potentially preserve beta cell function.

"Patients and their families are long overdue for potentially disease-modifying treatments, which are at the forefront of innovation for the 1.6 million Americans living daily with this disease," said Eddie J. Sullivan, Ph.D., Co-Founder, President, and Chief Executive Officer of SAB Biotherapeutics. "The partnership and continued confidence of our investors will allow us to advance clinical trials of SAB-142, as we work to address the root cause of T1D. The closure of this tranche is an important step forward to advance a new clinical approach in T1D."

Samuel J. Reich, Executive Chairman of SAB, said "Investors are recognizing that type 1 diabetes is a critical therapeutic area within the biopharmaceutical industry, as disease modification offers a necessary and improved treatment path for millions of patients who manage this disease on a daily basis. We are grateful for the dedication of our investors that have been fully immersed in the due diligence process for SAB-142 over the course of many months and their unwavering confidence in SAB to develop a superior disease-modifying approach for patients living with type 1 diabetes. We look forward to continuing our partnership with this world-class syndicate of investors to bring our important mission to reality."

Chardan served as the exclusive placement agent for the private placement transaction. Raymond James acted as financial advisor. Brookline Capital Markets, a division of Arcadia Securities, LLC, also acted as financial advisor. Milestone Advisors acted as strategic advisor.

About SAB-142

SAB-142 is a fully-human alternative to rabbit anti-thymocyte globulin (ATG). SAB-142's mechanism of action is similar to that of rabbit ATG, which has been clinically validated in multiple clinical trials for type 1 diabetes, demonstrating the ability to slow down disease progression in patients with new or recent onset of Stage 3 type 1 diabetes.

Two clinical trials have shown that a single, low dose of rabbit ATG has demonstrated the ability to modulate the body's immune response to help slow beta cell destruction and preserve the ability of these cells to generate insulin, which the body needs to regulate blood sugar and carry out all human activities.

SAB-142, like rabbit ATG, directly targets multiple immune cells involved in destroying pancreatic beta cells. By stopping immune cells from attacking beta cells, this treatment has potential to preserve insulin-producing beta cells.

However, most humans treated with rabbit ATG develop serum sickness and anti-drug antibodies from exposure to the rabbit-

derived antibody. SAB-142 is a human antibody, intended to allow safe, consistent re-dosing for type 1 diabetes, a lifelong chronic disease, without the potential risk of inducing the major adverse immune reactions that can occur with administration of a fully animal ATG.

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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