

October 4, 2022



Sonnet BioTherapeutics Regains Compliance with Nasdaq Minimum Bid Price Requirement

PRINCETON, NJ / ACCESSWIRE / October 4, 2022 /Sonnet BioTherapeutics Holdings, Inc. (NASDAQ:SONN) (the "Company" or "Sonnet BioTherapeutics"), a clinical-stage company developing targeted immunotherapeutic drugs, announced today that it received notice from The Nasdaq Stock Market LLC (Nasdaq) on October 3, 2022 informing Sonnet that it has regained compliance with the minimum bid price requirement under Nasdaq Listing Rule 5550(a)(2) (the "Rule") for continued listing on The Nasdaq Capital Market. In order to regain compliance with the Rule, the Company's common stock was required to maintain a minimum closing bid price of \$1.00 or more for at least 10 consecutive trading days. That requirement was met on September 30, 2022.

Stockholders' Equity Deficiency

As previously reported, on August 22, 2022, the Company received notice from Nasdaq advising the Company that it is not in compliance with the minimum stockholders' equity requirement for continued listing on The Nasdaq Capital Market. Nasdaq Listing Rule 5550(b)(1) requires companies listed on The Nasdaq Capital Market to maintain stockholders' equity of at least \$2,500,000 (the "Stockholders' Equity Requirement"). The notice had no immediate effect on the listing of the Company's common stock and the Company's common stock continues to trade on The Nasdaq Capital Market under the symbol "SONN," subject to the Company's compliance with the other continued listing requirements. Pursuant to the notice, Nasdaq has given the Company 45 calendar days, or until October 6, 2022, to submit to Nasdaq a plan to regain compliance. If the Company's plan is accepted, Nasdaq may grant an extension of up to 180 calendar days from the date of the Notice to evidence compliance. The Company is currently evaluating various courses of action to regain compliance and plans to timely submit its plan to Nasdaq to regain compliance with the Stockholders' Equity Requirement.

There can be no assurance that the Company's plan will be accepted or that if it is, the Company will be able to regain compliance. If the Company's plan to regain compliance is not accepted, or if it is and the Company does not regain compliance within 180 days from the date of Nasdaq's letter, or if the Company fails to satisfy another Nasdaq requirement for continued listing, Nasdaq could provide notice that the Company's common stock will become subject to delisting. In such event, Nasdaq rules would permit the Company to appeal the decision to reject the Company's proposed compliance plan or any delisting determination to a Nasdaq Hearings Panel. The hearing request would stay any suspension or delisting action pending the conclusion of the hearing process and the expiration of any additional extension period granted by the panel following the hearing.

About Sonnet BioTherapeutics Holdings, Inc.

Sonnet BioTherapeutics is an oncology-focused biotechnology company with a proprietary platform for innovating biologic drugs of single or bispecific action. Known as F_HAB (Fully Human Albumin Binding), the technology utilizes a fully human single chain antibody fragment (scFv) that binds to and "hitch-hikes" on human serum albumin (HSA) for transport to target tissues. Sonnet's F_HAB was designed to specifically target tumor and lymphatic tissue, with an improved therapeutic window for optimizing the safety and efficacy of immune modulating biologic drugs. F_HAB is the foundation of a modular, plug-and-play construct for potentiating a range of large molecule therapeutic classes, including cytokines, peptides, antibodies, and vaccines.

Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and Private Securities Litigation Reform Act, as amended, including those relating to the Company's product development, clinical and regulatory timelines, market opportunity, competitive position, possible or assumed future results of operations, business strategies, potential growth opportunities and other statements that are predictive in nature. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which we operate and management's current beliefs and assumptions.

These statements may be identified by the use of forward-looking expressions, including, but not limited to, "expect," "anticipate," "intend," "plan," "believe," "estimate," "potential," "predict," "project," "should," "would" and similar expressions and the negatives of those terms. These statements relate to future events or our financial performance and involve known and unknown risks, uncertainties, and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include those set forth in the Company's filings with the Securities and Exchange Commission. Prospective investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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