Faron Pharmaceuticals Ltd
("Faron")

Faron Appoints Marie-Louise Fjällskog, M.D., Ph.D., as Chief Medical Officer

Company announcement, January 3, 2022 at 02:00 AM (EST) / 07:00 AM (GMT) / 09:00 AM (EET)

TURKU, FINLAND / BOSTON, MA – Faron Pharmaceuticals Ltd (AIM: FARN, First North: FARON), a clinical stage biopharmaceutical company focused on building the future of immunotherapy by harnessing the power of the immune system to tackle cancer and inflammation, is pleased to announce the appointment of Marie-Louise Fjällskog, M.D., Ph.D., as Chief Medical Officer of the Company. Dr. Fjällskog will be based in Boston, MA and her appointment is effective immediately.

Dr. Fjällskog has over 30 years of experience in clinical oncology, translational research, and drug development. She joins Faron from Sensei Biotherapeutics (SNSE), a Nasdaq listed immuno-oncology focused biopharmaceutical company. As Chief Medical Officer at Sensei, she was responsible for leading clinical and development strategy and operations. She also played a key role in Sensei's successful $152 million IPO, which closed in February 2021. Dr. Fjällskog holds both a Ph.D and an M.D. from Uppsala University, Sweden where she currently serves as an Associate Professor of Oncology.

In her new role, Dr. Fjällskog will join Faron's management team and provide leadership and direction in accelerating the Company's clinical development programs. Her primary focus will be *bexmarilimab*, Faron's wholly owned, novel precision cancer immunotherapy candidate currently in development as a potential monotherapy in patients with solid tumors. Faron is also advancing plans to study *bexmarilimab* in the neoadjuvant setting, in combination with checkpoint inhibitors and as a treatment for hematological malignancies.

"I am delighted to welcome Marie-Louise to Faron as our Chief Medical Officer during what is a critical time for the Company as we accelerate the execution of our ambitious clinical development programs, including our lead oncology asset *bexmarilimab*," said Dr. Markku Jalkanen, Chief Executive Officer of Faron. "With her extensive experience in oncology clinical development she is expertly positioned to help advance our plans and progress development of what we hope will be the first macrophage-targeting immunotherapy for patients with hard-to-treat cancers."

"Faron's novel immunotherapy program has the potential to usher in a new era of cancer treatment by unlocking the myeloid cell produced "hide me" signal and igniting immune response in indications that have proven to be resistant to current checkpoint inhibitor therapies," said Marie-Louise Fjällskog M.D., Ph.D. "I am thrilled to be joining the Company at such an exciting time and look forward to helping accelerate the development of *bexmarilimab* as both a monotherapy and in combination with other checkpoint inhibitors, which is likely to further amplify the clinical benefit seen with *bexmarilimab* alone."

Prior to her role at Sensei Biotherapeutics, Dr. Fjällskog served as Vice President, Clinical Development at Merus (MRUS) and Infinity Pharmaceuticals (INFI) where she led development of multiple small molecule and immunotherapy clinical programs and was responsible for the prioritization of preclinical research. She was formerly Global Clinical Program Leader at the Novartis Institute for Biomedical Research where she led global development of oncology treatments targeting CDK4/6, BCL-2, PD-1, CSF-1 and CD73. Dr. Fjällskog also serves on the Board of Biovica, a Swedish biotech company with a vision to improve monitoring and predicting the efficacy of cancer therapies via novel blood-based diagnostics and Lytix Biopharma, a clinical stage biotech developing novel cancer immunotherapies based on pioneering research in "host defense peptides" – nature's first line of defense towards foreign pathogens.

For more information please contact:

Media Contact
Faron Pharmaceuticals
Eric Van Zanten
Head of Communications
eric.vanzanten@faron.com
Investor.relations@faron.com

+1 (610) 529-6219

Investor Contact
Stern Investor Relations
Julie Seidel
julie.seidel@sternir.com
Phone: +1 (212) 362-1200

Cairn Financial Advisers LLP, Nomad
Sandy Jamieson, Jo Turner, Mark Rogers
Phone: +44 (0) 207 213 0880

Peel Hunt LLP, Broker
Christopher Golden, James Steel
Phone: +44 (0) 20 7418 8900

Sisu Partners Oy, Certified Adviser on Nasdaq First North
Juha Karttunen
Phone: +358 (0)40 555 4727
Jukka Järvelä
Phone: +358 (0)50 553 8990

Consilium Strategic Communications
Mary-Jane Elliott, David Daley, Lindsey Neville
Phone: +44 (0)20 3709 5700
E-mail: faron@consilium-comms.com

About *Bexmarilimab*

Bexmarilimab is Faron's wholly-owned, investigative precision immunotherapy with the potential to provide permanent immune stimulation for difficult-to-treat cancers through targeting myeloid cell function. A novel anti-Clever-1 humanised antibody, bexmarilimab targets Clever-1 positive (Common Lymphatic Endothelial and Vascular Endothelial Receptor 1) tumour associated macrophages (TAMs) in the tumour microenvironment, converting these highly immunosuppressive M2 macrophages to immune stimulating M1 macrophages. In mouse models, *bexmarilimab* has successfully blocked or silenced Clever-1, activating antigen presentation and promoting interferon gamma secretion by leukocytes. Additional pre-clinical studies have proven that Clever-1, encoded by the Stabilin-1 or STAB-1 gene, is a major source of T cell exhaustion and involved in cancer growth and spread. Observations from clinical studies to date indicate that Clever-1 has the capacity to control T cell activation directly, suggesting that the inactivation of Clever-1 as an immune suppressive molecule could be more broadly applicable and more important than previously thought. As an immuno-oncology therapy, *bexmarilimab* has potential as a single-agent therapy or in combination with other standard treatments including immune checkpoint molecules. Beyond immuno-oncology, it offers potential in infectious diseases, vaccine development and more.

About Faron Pharmaceuticals Ltd

Faron (AIM: FARN, First North: FARON) is a clinical stage biopharmaceutical company developing novel treatments for medical conditions with significant unmet needs caused by dysfunction of our immune system. The Company currently has a pipeline based on the receptors involved in regulation of immune response in oncology, organ damage and bone marrow regeneration. *Bexmarilimab,* a novel anti-Clever-1 humanized antibody, is its investigative precision immunotherapy with the potential to provide permanent immune stimulation for difficult-to-treat cancers through targeting myeloid function. Currently in Phase I/II clinical development as a potential therapy for patients with untreatable solid tumors, *bexmarilimab* has potential as a single-agent therapy or in combination with other standard treatments including immune checkpoint molecules. Traumakine is an investigational intravenous (IV) interferon beta-1a therapy for the treatment of acute respiratory distress syndrome (ARDS) and other ischemic or hyperinflammatory conditions. Traumakine is currently being evaluated in global trials as a potential treatment for hospitalized patients with COVID-19 and with the 59th Medical Wing of the US Air Force and the US Department of Defense for the prevention of multiple organ dysfunction syndrome (MODS) after ischemia-reperfusion injury caused by a major trauma. Faron is based in Turku, Finland. Further information is available at www.faron.com.

Forward Looking Statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as ''believe'', ''could'', "should", "expect", "hope", "seek", ''envisage'', ''estimate'', ''intend'', ''may'', ''plan'', ''potentially'', ''will'' or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

A number of factors could cause actual results to differ materially from the results and expectations discussed in the forward-looking statements, many of which are beyond the control of the Company. In particular, the early data from initial patients in the MATINS trial may not be replicated in larger patient numbers and the outcome of clinical trials may not be favourable or clinical trials over and above those currently planned may be required before the Company is able to apply for marketing approval for a product. In addition, other factors which could cause actual results to differ materially include the ability of the Company to successfully licence its programmes within the anticipated timeframe or at all, risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets or other sources of funding, reliance on key personnel, uninsured and underinsured losses and other factors. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Subject to any continuing obligations under applicable law or any relevant AIM Rule requirements, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.