



**Faron Pharmaceuticals Ltd.**  
**("Faron")**

**Faron Announces EUR 3.8 Million Award in Arbitration Case Against Rentschler Biopharma SE**

*Company announcement, November 9, 2021 at 02:00 AM (EDT) / 07:00 AM (BST) / 09:00 AM (EEST)*

**Inside information**

**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, today announces that the arbitration tribunal appointed by the Arbitration Institute of the Stockholm Chamber of Commerce (SCC) ruled in favor of Faron in its case against Rentschler Biopharma SE ("Rentschler"). As previously announced, Faron was seeking damages from Rentschler for unfounded termination of an agreement concerning the manufacturing process for Traumakine®.

As a result of the favorable arbitration award, Rentschler was ordered to pay Faron EUR 3.8 million in damages. The parties are jointly and severally liable towards the arbitral tribunal and the SCC for the fees and expenses of the arbitral tribunal and the fees of the SCC, which shall be paid in equal shares. In addition, each party shall carry its own legal costs. As previously communicated, a third-party recovery services provider funded the proceedings for Faron. The funder will receive compensation from Faron in accordance with the litigation funding agreement.

**This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 ("MAR").**

**For more information please contact:**

**Media Contact**

**Faron Pharmaceuticals Ltd.**

Eric Van Zanten

Head of Communications

[eric.vanzanten@faron.com](mailto:eric.vanzanten@faron.com)

[investor.relations@faron.com](mailto:investor.relations@faron.com)

Phone: +1 (610) 529-6219

**Investor Contact**

**Stern Investor Relations**

Julie Seidel

[julie.seidel@sternir.com](mailto:julie.seidel@sternir.com)

Phone: +1 (212) 362-1200

**Cairn Financial Advisers LLP, Nomad**

Sandy Jamieson, Jo Turner

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

### **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-Cleaver-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](http://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.