

**Faron Pharmaceuticals Ltd**

("Faron" or the "Company")

**Update on settlement under the UK Open Offer and the REX Retail Offer**

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Company announcement, 25 June 2024 at 4pm (EEST) / 2pm (BST) / 9am (EDT)

**TURKU, FINLAND** - Faron Pharmaceuticals Ltd (AIM: FARN, First North: FARON), a clinical-stage biopharmaceutical company pursuing a CLEVER-1 receptor targeting approach to reprogramming myeloid cells to activate anti-tumor immunity in hematological and solid tumor microenvironments, announces an update on settlement of the UK Open Offer and the REX Retail Offer, which are part of the fully subscribed EUR 30.7 million share offering. Capitalised terms used but not defined herein have the meaning given to them in the announcement of final results of the share offering dated 20 June 2024.

The New Shares were admitted to trading on First North and AIM at 8:00 a.m. BST on 24 June 2024. Due to a technical delay with settlement, CREST accounts are now expected to be credited in respect of shares under the UK Open Offer on 26 June 2024 and settlement of the REX Retail Offer is expected to occur on 25 June 2024.

**Faron Pharmaceuticals Ltd**

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**About BEXMAB**

The BEXMAB study is an open-label Phase I/II clinical trial investigating *bexmarilimab* in combination with standard of care (SoC) in the aggressive hematological malignancies of acute myeloid leukemia (AML) and myelodysplastic syndrome (MDS). The primary objective is to determine the safety and tolerability of *bexmarilimab* in combination with SoC (azacitidine) treatment. Directly targeting Clever-1 could limit the replication capacity of cancer cells, increase antigen presentation, ignite an immune response, and allow current treatments to be more effective. Clever-1 is highly expressed in both AML and MDS and associated with therapy resistance, limited T cell activation and poor outcomes.

**About *bexmarilimab***

*Bexmarilimab* is Faron's wholly owned, investigational immunotherapy designed to overcome resistance to existing treatments and optimize clinical outcomes, by targeting myeloid cell function and igniting the immune system. *Bexmarilimab* binds to Clever-1, an immunosuppressive receptor found on macrophages leading to tumor growth and metastases (i.e. helps cancer evade the immune system). By targeting the Clever-1 receptor on macrophages, *bexmarilimab* alters the tumor microenvironment, reprogramming macrophages from an immunosuppressive (M2) state to an immunostimulatory (M1) state, upregulating interferon production and priming the immune system to attack tumors and sensitizing cancer cells to standard of care.

**About Faron Pharmaceuticals Ltd**

Faron (AIM: FARN, First North: FARON) is a global, clinical-stage biopharmaceutical company, focused on tackling cancers via novel immunotherapies. Its mission is to bring the promise of immunotherapy to a broader population by uncovering novel ways to control and harness the power of the immune system. The Company's lead asset is *bexmarilimab*, a novel anti-Cleaver-1 humanized antibody, with the potential to remove immunosuppression of cancers through reprogramming myeloid cell function. *Bexmarilimab* is being investigated in Phase I/II clinical trials as a potential therapy for patients with hematological cancers in combination with other standard treatments. Further information is available at [www.faron.com](http://www.faron.com).

#### **Important notice**

This announcement is not an offer of securities for sale into the United States. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There is no intention to register the Offer Shares in the United States or to make a public offering in the United States. Any sale of the Offer Shares in the United States will be made solely to a limited number of "qualified institutional buyers" or accredited investors, each as defined in Rule 144A in reliance on an exemption from the registration requirements of the Securities Act.

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Carnegie Investment Bank AB, Finland Branch and Peel Hunt LLP are acting as lead managers (the "**Lead Managers**") and bookrunners for the Offering. The Lead Managers are acting exclusively for the Company and no one else in connection with the Offering. They will not regard any other person as their respective client in relation to the Offering. The Lead Managers will not be responsible to anyone other than the Company for providing the duties afforded to their respective clients, nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

#### **Caution regarding 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", "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 Company's current expectations and assumptions regarding the completion and use of proceeds from the Offering, 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 Company's current beliefs and assumptions and are based on information currently available to the Company.

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 addition, other factors which could cause actual results to differ materially include the ability of the Company to successfully licence its programmes, 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 Company believes 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.

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