

Inside Information: Faron publishes preliminary results of its successful rights issue

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014 (â€œMARâ€) AND ARTICLE 7 OF MAR AS IT FORMS PART OF DOMESTIC LAW IN THE UNITED KINGDOM BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (â€œUK MARâ€).

TURKU, FINLAND â€ Faron Pharmaceuticals Ltd. (AIM: FARN, First North: FARON, â€œFaronâ€ or the â€œCompanyâ€) today announces the preliminary results of the fully committed rights offering of approximately EUR 40.1 million (the **"Offering"**) consisting of up to 80,158,126 offer shares (the â€œ**Offer Shares**â€).

The subscription period for the Offer Shares (as described below) on Nasdaq First North Growth Market Finland (â€œ**First North**â€) ended on 2 April 2026 and the subscription period for the Offer DIs (as described below) on AIM (â€œ**AIM**â€) ended on 31 March 2026. According to the preliminary results of the Offering, a total of 41,944,771 Offer Shares, which may be represented by depository interests (â€œ**DIs**â€) (â€œ**Offer DIs**â€), were subscribed for in the Offering, corresponding to approximately 52.33 per cent of the total number of 80,158,126 Offer Shares.

From the Offer Shares, a total of 38,756,007 Offer Shares were subscribed for with subscription rights and a total of 3,188,764 Offer Shares were subscribed for without subscription rights, excluding the Cornerstone Commitments (as defined below). The subscription price in the Offering was EUR 0.50 per Offer Share. In addition, as announced by the Company on 10 March 2026, certain investors have agreed to subscribe for Offer Shares that have not been subscribed for in the Offering pursuant to the subscription rights for an aggregate amount of up to EUR 7.1 million (together the **"Cornerstone Commitments"**). The remaining unsubscribed shares will be allocated to investors who have previously agreed to subscribe for any Offer Shares not otherwise subscribed and paid for pursuant to the subscription rights or in the secondary subscription (â€œ**Subscription Guarantees**â€). The Company will receive gross proceeds of approximately EUR 40.1 million from the Offering and net proceeds of approximately EUR 32.8 million, taking into account transaction costs, including fees payable to the subscription guarantors for the guarantees, in connection with the Offering. The net proceeds will be used, among others, to strengthen the Companyâ€™s financial position, to run a randomized, 90-patient Phase II trial in frontline high risk myelodysplastic syndrome (â€œ**HR MDS**â€) with *bexmarilimab* in combination with *azacitidine* as well as to accelerate the development of its lead asset *bexmarilimab* by providing it to up to five investigator-initiated trials (â€œ**IT**â€).

Dr. Juho Jalkanen, CEO of Faron, comments:

â€ I am very pleased with the preliminary results of this rights issue, which reflects the strong commitment and trust of both our existing shareholders and new cornerstone investors. Successfully securing approximately EUR 40 million in gross proceeds provides a decisive foundation for Faronâ€™s next chapter. This funding allows us to accelerate the development of our lead asset, bexmarilimab, specifically by financing our randomized Phase II trial in frontline high-risk MDS and extending our cash runway through November 2027. I want to thank all our shareholders for their participation: your support is instrumental as we work to transform the treatment landscape for patients with aggressive hematological cancers and prove the broader potential of our immunotherapy platform.â€

The final results of the Offering will be published on or about 9 April 2026 after the Board of Directors of the Company has approved the subscriptions made in the Offering. Allotment of the Offer Shares will be made in accordance with the terms and conditions of the Offering. As a result of the Offering, the total number of shares in Faron Pharmaceuticals will increase by 80,000,000 from 119,472,660 to 199,472,660 provided that the Board of Directors of the Company approves the subscriptions made in the Offering. The Offer Shares issued in the Offering amount to approximately 67.1 per cent of the outstanding shares in the Company following the Offering. Faron maintains the flexibility to conduct a directed share issue of up to a total of 19,296,473 shares at a subscription price that will be at least equal to the subscription price in the Offering.

The last day of trading in the interim shares on First North will be on or about 14 April 2026. The last day of trading in DIs representing the interim shares on AIM will be on or about 14 April 2026. The interim shares will be combined with the existing shares of the Company on or about 14 April 2026. Trading in the new Offer Shares on First North and in the Offer DIs on AIM is expected to commence on First North and AIM on or about 15 April 2026. The Offer Shares confer the same rights as the Companyâ€™s other shares, after being registered with the Trade Register and in the Companyâ€™s shareholder register on or about 15 April 2026.

Stifel Europe Securities SAS acts as the sole global coordinator and bookrunner in respect of the Offering (the â€œ**Sole Global Coordinator and Bookrunner**â€). Roschier, Attorneys Ltd. acts as the Companyâ€™s legal adviser in Finland and Freshfields LLP acts as the Companyâ€™s legal adviser as to U.S. federal securities law and U.K. law. Krogerus Attorneys Ltd acts as the Sole Global Coordinator and Bookrunnerâ€™s legal adviser in Finland and Milbank LLP acts as the Sole Global Coordinator and Bookrunnerâ€™s legal adviser in the United Kingdom and the United States. IR Partners Oy acts as the Companyâ€™s communications adviser.

For the purposes of MAR and UK MAR, the person responsible for arranging for the release of this announcement on behalf of the Company is Juho Jalkanen, Chief Executive Officer.

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) one, 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-Clever-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.

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In any EEA Member State, other than Finland, this release is only addressed to and is only directed at "qualified investors" in that Member

State within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

In the United Kingdom, this announcement is only directed at (a) members of the Company; and (b) "qualified investors" within the meaning of paragraph 15 of Schedule 1 of the Public Offers and Admissions to Trading Regulations 2024 (the "**POATR**") who are also (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); (ii) persons who fall within Article 49(2)(a) to (d) of the Order; or (iii) other persons to whom it may otherwise be lawfully communicated (all such persons together being "**Relevant Persons**"). This announcement must not be acted on or relied on in the United Kingdom by persons who are not Relevant Persons. Persons distributing this announcement must satisfy themselves that it is lawful to do so. Any investment or investment activity to which this announcement relates is only available to Relevant Persons in the United Kingdom and will only be engaged in with such persons.

In the United Kingdom, no prospectus, offering memorandum, offering document or admission document has been or will be made available in connection with the matters contained or referred to in this announcement and no such document is required to be published (in accordance with the POATR or the AIM Rules of the London Stock Exchange). This announcement has not been approved by the Financial Conduct Authority (the "**FCA**") or the London Stock Exchange.

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The Sole Global Coordinator and Bookrunner is acting exclusively for the Company and no one else in connection with the Offering. It will not regard any other person as their respective client in relation to the Offering. It will not be responsible to anyone other than the Company for providing the duties afforded to its 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, 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.