**Press release 21.02.2022**

**Celon Pharma S.A. with a license agreement for the purchase of a patent package from the Salk Institute for Biological Studies in the scope of metabolic disorders treatment methods.**

**The transaction will enable the Company to continue and expand the development of its clinical reseach on the FGF1 protein analogue in treating type 2 diabetes and to strengthen the commercial potential of the company’s projects in the field of metabolic diseases.**

As part of the FAIND project, Celon Pharma S.A. have developed a drug candidate based on the FGF1 protein analogue. The research conducted by the Company to date has confirmed that the drug, which is a recombinant protein, can become a new, alternative and safe therapy for patients suffering from type 2 diabetes. The drug candidate designated as M43 has demonstrated a strong antidiabetic effect. Thanks to new, selective mutations in the FGF1 protein, M43 is free from the risk of mitogenicity.

*Purchasing the patent package rights from the Salk Institute for Biological Studies will enable us to successfully conduct further works on clinical development in treatment of both diabetes and other metabolic disorders, including disorders related to liver diseases. It constitutes an important final element towards holding full, unlimited M43 commercialization rights. We are happy to be able to continue development of such an important drug based on a new, breakthrough mode of action while relying on many years of scientific work of global experts and scientists. Implementing the project's results can lead to a breakthrough in diabetes treatment and therefore can allow for solving, among others, the problem of insulin resistance* **–** **Maciej Wieczorek, PhD, President of the Board of Celon Pharma S.A.**

Effectiveness of using the FGF1 protein in metabolic indications, including diabetes, both in vitro and on animal models, have been demonstrated by scientists of The Salk Institute in recent years, and first presented in their seminal paper published in Nature in 2014 . Research on exploring the mechanism behind FGF1 in treating diabetes was published in January 2022 on the pages of Cell Metabolism .

Diabetes is one of the most common and serious diseases of affluence in the modern society. The number of patients developing this condition is constantly growing and diabetes complications pose a serious threat to their health and life. Despite progress in medicine, the existing therapies still far from being fully effective or cause a number of undesirable adverse effects, such as the risk of insufficient levels of blood sugar (hypoglycemia), hepatic steatosis or osteopenia.

Celon Pharma S.A. is conducting research on the FGF1 protein analogue as part of the FAIND project which is supported financially by the National Center for Research and Development (NCBiR). The total value of the project is PLN 13.3 million and the funding amounts to PLN 9.9 million. M43 is at the final stage of the pre-clinical trials. In 2021, the company has submitted a patent application for new FGF1 analogues, including M43.

About the Salk Institute for Biological Studies:

Every cure has a starting point. The Salk Institute embodies Jonas Salk’s mission to dare to make dreams into reality. Its internationally renowned and award-winning scientists explore the very foundations of life, seeking new understandings in neuroscience, genetics, immunology, plant biology and more. The Institute is an independent nonprofit organization and architectural landmark: small by choice, intimate by nature and fearless in the face of any challenge. Be it cancer or Alzheimer’s, aging or diabetes, Salk is where cures begin. Learn more at: [salk.edu](https://www.salk.edu).

1. Nature, 2014 Sep 18;513(7518):436-9.
2. Cell Metabolism, 2022 Jan 4;34(1):171-183.e6.