

Sernova Provides Recap of 2023 Accomplishments and Anticipated 2024 Milestones

- Recently completed recruitment of all 7 patients in Cohort 2
- Anticipates additional data from Cohort 2 of Phase 1/2 clinical trial evaluating its enhanced 10-channel Cell Pouch in patients with type 1 diabetes (T1D) in Q1/24
- Expects to report preclinical data supporting an IND application to evaluate the use of therapeutic cells in combination with Cell Pouch in patients with post-operative hypothyroidism

LONDON, Ontario; Boston, Massachusetts – January 29, 2024 – Sernova Corp. (TSX:SVA) (OTCQB:SEOVF) (FSE/XETRA:PSH), a clinical-stage company and leader in cell therapeutics, today provided a business update, including a recap of 2023 accomplishments and a preview of certain milestones anticipated in 2024.

“In 2023, we added to the compelling and expanding set of data demonstrating the safety and efficacy of our novel cell therapy platform for chronic diseases, including our higher capacity 10-channel Cell Pouch that is being evaluated in our ongoing Phase 1/2 human donor islet clinical trial in T1D,” said Cynthia Pussinen, Chief Executive Officer of Sernova. “We also made significant progress with our hemophilia A program, including receipt of both Orphan Drug and Rare Pediatric Disease designations from the U.S. Food and Drug Administration (FDA). Lastly, we announced an exciting preclinical research collaboration with AstraZeneca that has the potential to significantly expand the use of the Cell Pouch in additional high-value indications.”

“Looking ahead to 2024, we anticipate additional patient data from Cohort 2 of our T1D human donor islet trial, as well as important data from our thyroid disease program as we work to further our preclinical pipeline. We continue to advance plans for our next T1D Phase 1/2 clinical study utilizing Evotec’s iPSC-derived islet like clusters (ILCs) in our Cell Pouch. Use of iPSCs provides significant advantages over human donor islets, including the ability to scale this promising treatment to commercially viable levels enabling the treatment of millions of patients. Throughout 2024 our strategic partner, Evotec, will continue to optimize and advance the development of iPSC derived ILCs for use in additional IND enabling studies and clinical trials. Given the complexity around scaling-up of iPSCs and therapeutic cell manufacturing, as well as the relative nascency of the entire advanced therapeutics field, timelines have extended, and we now anticipate initiating a clinical trial evaluating our Cell Pouch with iPSC-derived ILCs in the fourth quarter of 2025.” Ms. Pussinen added.

“I am encouraged with our progress and believe we have built a solid foundation consisting of a portfolio of fundamentally transformational medical treatments for patients living with chronic conditions that will result in multiple potentially value-creating milestones this year and next,” Ms. Pussinen concluded.

2023 Achievements:

- Announced senior leadership additions, including Cynthia Pussinen as new Chief Executive Officer, and Dr. Modestus Obochi, Ph.D., MBA, as Chief Business Officer
- Received both Orphan Drug Designation (ODD) and Rare Pediatric Disease Designation (RPDD) from the U.S. FDA for the Company’s hemophilia A program
- Announced positive interim data from Cohorts 1 and 2 of the ongoing Phase 1/2 human donor islet clinical trial of its Cell Pouch System™ in patients with T1D at the 2023 IPITA-IXA-CTRMS Joint Congress. Notably, five of the six patients in Cohort 1 were able to discontinue insulin therapy

following islet transplantation, and all six patients achieved HbA1c values in the non-diabetic range (<6.5%). In Cohort 2, the first six of seven planned patients received the higher capacity 10-channel Cell Pouch and five patients received a first islet transplant. Stable fasting and stimulated serum C-peptide levels were observed following a single islet transplant into the 10-channel Cell Pouch in the first assessable Cohort 2 patient who subsequently achieved insulin independence with a modest portal vein top-up.

- Announced positive results from its conformal coating immune protection technology program that is used in combination with the Cell Pouch System™ and is intended to eliminate the need for chronic immunosuppression medications.
- Presented preclinical data supporting the planned Phase 1/2 clinical trial of Evotec's "off-the-shelf" iPSC-derived ILCs in combination with Sernova's Cell Pouch System for the treatment of patients with T1D. Specifically, data demonstrated that Evotec's iPSC-derived ILCs generated robust and durable insulin independence with blood C-peptide levels and glucose tolerance test results equivalent to a test group with human islets. A separate study showed sustained normalization of blood sugar levels in diabetic mice throughout the 320-day term of the study. Human testing is anticipated to begin in late 2025.
- Announced a research collaboration with AstraZeneca to evaluate the use of Sernova's Cell Pouch System in combination with AstraZeneca's novel therapeutic cells for various indications. The discovery work is being funded and conducted by AstraZeneca.
- Completed recruitment of all 7 patients in Cohort 2 of the ongoing Phase 1/2 trial using the 10-channel Cell Pouch.

Anticipated Select 2024 Milestones:

- Additional data from Cohort 2 of the ongoing U.S. Phase 1/2 clinical trial, which is evaluating its enhanced 10-channel Cell Pouch in patients with T1D, are expected beginning in Q1.
- Additional preclinical data to support an IND application to evaluate the Company's autograft thyroid cells in patients suffering from thyroid disease, with no immunosuppressive regimen required.
- Completion of thyroid disease market study validating the current market size and detailing the unmet medical need.
- Potential engagement with additional life sciences focused companies, academic institutions and external parties through partnership and collaboration opportunities, which could be announced over the course of 2024.
- Additional funding to support growth through strategic alliances, credit facilities and/or institutional equity financings with the goal of maximizing shareholder value.

Fiscal Year 2023 Financials

Today, Sernova filed its financial results on SEDAR for the fiscal year 2023.

ABOUT SERNOVA CORP. AND THE CELL POUCH SYSTEM PLATFORM FOR CELL THERAPY

Sernova Corp. is a clinical-stage biotechnology company that is developing therapeutic cell technologies for chronic diseases, including insulin-dependent diabetes, thyroid disease, and blood disorders that include

hemophilia A. Sernova is currently focused on developing a 'functional cure' for insulin-dependent diabetes with its lead asset, the Cell Pouch System, a novel implantable and scalable medical device with immune protected therapeutic cells. On implantation, The Cell Pouch forms a natural vascularized tissue environment in the body for long-term survival and function of therapeutic cells that release essential factors that are absent or deficient in the bodies of patients with certain chronic diseases. Sernova's Cell Pouch System has demonstrated its potential to be a 'functional cure' for people with T1D in an ongoing Phase 1/2 clinical study at the University of Chicago. Sernova is also advancing a proprietary technology in collaboration with the University of Miami to shield therapeutic cells from immune system attack with the goal to eliminate the need for chronic, systemic immunosuppression. In May 2022, Sernova and Evotec entered into a global strategic partnership to develop an implantable off-the-shelf iPSC (induced pluripotent stem cells) based islet replacement therapy. This partnership provides Sernova a potentially unlimited supply of insulin-producing cells to treat millions of patients with insulin-dependent diabetes (type 1 and type 2). Sernova continues to progress two additional development programs that utilize its Cell Pouch System: a cell therapy for hypothyroid disease resulting from thyroid gland removal and an ex vivo lentiviral Factor VIII gene therapy for hemophilia A.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Christopher Barnes
VP, Investor Relations
Sernova Corp.
christopher.barnes@sernova.com
Tel: 519-902-7923
www.sernova.com

FORWARD-LOOKING INFORMATION

This release contains statements that, to the extent they are not recitations of historical facts, may constitute "forward-looking statements" that involve various risks, uncertainties, and assumptions, including, without limitation, statements regarding the prospects, plans, and objectives of the company. Wherever possible, but not always, words such as "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential for" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur are used to identify forward-looking statements. Forward looking statements in this news release include, without limitation, statements relating to the timing of clinical trials, the timing with respect to the receipt of data from on-going clinical trials, timing with respect to preclinical data, the completion of thyroid disease market study, statements with respect to the potential future engagement with additional universities, life sciences focus companies and external parties and the timing thereof.

These statements reflect the current expectations, assumptions and beliefs of management currently available to it on the date such statements were made, including Sernova's ability to secure additional financing and licensing arrangements; the timing with respect to the engineering and scaling-up of Sernova's technologies; the ability to conduct all required preclinical and clinical studies for the company's Cell Pouch System and or related technologies; the timing and results of preclinical and clinical trials; the ability to obtain all necessary regulatory approvals on a timely basis; the ability to in-license additional complementary technologies; and the ability of Sernova to execute its business strategy, attract additional partners and successfully compete in the market.

Although the Company believes that the assumptions inherent in these forward-looking statements are reasonable, forward-looking statements are not a guarantee of future performance and accordingly undue reliance should not be placed on such statements. Forward-looking statements are subject to a number of risks and uncertainties, some that are similar to biotechnology companies and some that are unique to Sernova. The actual results may differ materially from those expressed or implied by the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, Sernova. Sernova's annual information form dated January 29, 2024, its annual management's discussion and analysis for the year ended October 31, 2023, and other documents it files from time to time with securities regulatory authorities describe the risks, uncertainties, material assumptions and other factors that could influence actual results and such factors are incorporated herein by reference. Copies of these documents are available without charge by referring to the company's profile on SEDAR+ at www.sedarplus.ca. All forward-looking statements speak only as of the date on which they were made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise.