CANDEL THERAPEUTICS COMPLETES $28.7 MILLION SERIES B FINANCING

Proceeds to Accelerate Enrollment of Phase 3 Localized Prostate Cancer Clinical Trial

and to Advance Late Stage High-Grade Glioma Clinical Program

Candel to Expand Clinical Trials in Other Indications

Auburndale, Massachusetts, January 4, 2019 – Candel Therapeutics, a clinical-stage biotechnology company developing novel cancer immunotherapy therapeutics, today announced the closing of a $28.7 million Series B financing led by PBM Capital Group.

Proceeds will be used to:

- Accelerate enrollment of the company's Phase 3 registration trial under a Special Protocol Assessment for newly diagnosed, localized prostate cancer and a Phase 2 trial for Active Surveillance
- Advance its late-stage high-grade glioma program that includes: a completed Phase 2 trial demonstrating a significant benefit in patients receiving a gross total resection; a proof of concept clinical study in combination with nivolumab in collaboration with ***Bristol Myers-Squibb*** (NYSE:BMY) and the ***Adult Brain Tumor Consortium;*** and a Phase 1 trial with its rQNestin34.5 drug candidate in recurrent glioma
- Expand and further advance clinical programs in pancreatic cancer, lung cancer and other solid tumor indications
- Invest in the company's infrastructure

"We are excited and grateful to be at an inflection point" said Dr. Estuardo Aguilar-Cordova, Chief Executive Officer. "With this financing, we are now in the position to both accelerate recruitment of our current late stage clinical programs and expand the application of our technologies to new solid tumor indications."

"Candel's GMCI and rQNestin34.5 programs represent the most promising oncolytic virus platforms under development," said Paul Manning, Chairman of PBM Capital. "We firmly believe that, as a company, Candel's therapies will be transformative to cancer patients as a safe and efficacious adjunct to the current standard of care. We are excited to partner with Estuardo and his outstanding team in advancing these technologies toward commercialization."

If approved, the company's GMCI™ derived product candidate will become the first therapeutic to treat low and intermediate risk prostate cancer. An effective therapy for these patients will drastically reduce the number of men that suffer castration (US ~70,000/year) and death (US ~30,000/year) as a result of their prostate cancer. "We expect that in a few short years, as a result of our efforts and that of our many collaborators, there will be a new standard of care for this dreadful disease that will significantly improve and extend the lives of nearly 200,000 men each year in just the United States" concluded Dr. Aguilar-Cordova.

About Candel Therapeutics

Candel Therapeutics is a Massachusetts based biotechnology company developing its proprietary immuno-oncology platforms, including its Gene Mediated Cytotoxic Immunotherapy (GMCI™) platform and rQNestin34.5 platform, for the treatment of solid tumors.

GMCI™ is an "off the shelf" low toxicity adenovirus based immunotherapy that causes immunogenic tumor cell death, stimulating a hyper-immunogenic microenvironment and generating a personalized, robust and precise systemic response from the patient's own immune system against his or her cancer. GMCI™ has been evaluated in 11 completed clinical trials and 5 ongoing clinical trials across multiple indications including prostate, brain, pancreas and lung cancers. With over 1,200 patient doses in 650 patients, GMCI™ has meaningful evidence suggesting it is well tolerated and safe. These studies include a registration clinical trial for the treatment of localized prostate cancer patients under a Special Protocol Assessment agreement with the U.S. Food and Drug Administration. If proven efficacious, this product candidate will be the first and only therapeutic pharmaceutical available for localized prostate cancer patients.

rQNestin34.5 is an immuno-oncology approach that uses a genetically modified oncolytic herpes simplex virus engineered for enhanced potency. Conditional ICP34.5 expression in the presence of Nestin greatly improves replication and oncolytic activity of HSV. This product candidate is currently being tested in a Phase 1 clinical study in patients with recurrent malignant glioma.

For more information about Candel Therapeutics and our cancer immunotherapy programs please email info@CandelTX.com.