

**Faron Pharmaceuticals Oy**

(“Faron” or the “Company”)

**Exercise of options****Issue of equity**

*Company announcement, 25 March 2020 at 9.45 AM (EET)*

**TURKU, FINLAND** – Faron Pharmaceuticals Oy (AIM: FARN, First North: FARON), the clinical stage biopharmaceutical company, announces that it has received a notification from Toni Hänninen, Faron’s CFO, to exercise D options over 40,000 ordinary shares in the Company at an exercise price of EUR 1.09 (approx. GBP 0.94) per share under the Company’s 2015 Option Plan (“New Ordinary Shares”). The terms and conditions of the 2015 Option Plan are available on the Company’s website at [https://www.faron.com/sites/default/files/Option%20Plan%202015\\_Terms%20and%20Conditions\\_20200518.pdf](https://www.faron.com/sites/default/files/Option%20Plan%202015_Terms%20and%20Conditions_20200518.pdf).

Applications will be made to the London Stock Exchange and Nasdaq Helsinki to admit the New Ordinary Shares to trading on AIM and Nasdaq First North Growth Market, respectively. Admission of the New Ordinary Shares is expected to occur on or around 7 April 2021 following issue and registration of the New Ordinary Shares on or around 6 April 2021 (“Registration”). The New Ordinary Shares will rank *pari passu* with existing ordinary shares.

Faron’s enlarged issued number of shares immediately following Registration will be 50,457,874 ordinary shares with voting rights attached. The Company has no shares in treasury; therefore upon, and subject to, Registration, the total number of voting rights in Faron will be 50,457,874. This figure may be used by shareholders as the denominator for the calculations by which they will determine whether they are required to notify an interest in, or a change to their interest in, the issued shares and votes of the Company.

**For more information please contact:****Faron Pharmaceuticals Oy**

Dr Markku Jalkanen, Chief Executive Officer

[investor.relations@faron.com](mailto:investor.relations@faron.com)

**Cairn Financial Advisers LLP, Nomad**

Sandy Jamieson, Jo Turner, Mark Rogers

Phone: +44 207 213 0880

**Panmure Gordon (UK) Limited, Broker**

Rupert Dearden

Phone: +44 207 886 2500

**Sisu Partners Oy, Certified Adviser on Nasdaq First North**

Juha Karttunen

Phone: +358 (0)40 555 4727

Jukka Järvelä

Phone: +358 (0)50 553 8990

**Consilium Strategic Communications**

Mary-Jane Elliott, David Daley, Lindsey Neville

Phone: +44 (0)20 3709 5700

Email: [faron@consilium-comms.com](mailto:faron@consilium-comms.com)**Stern Investor Relations**

Julie Seidel, Naina Zaman

Phone: +1 (212) 362-1200

Email: [faron@sternir.com](mailto:faron@sternir.com)**About Faron Pharmaceuticals Oy**

Faron (AIM: FARN, First North: FARON) is a clinical stage biopharmaceutical company developing novel treatments for medical conditions with significant unmet needs caused by dysfunction of our immune system. The Company currently has a pipeline based on the receptors involved in regulation of immune response in oncology, organ damage and bone marrow regeneration. *Bexmarilimab*, a novel anti-Clever-1 humanised antibody, is its investigative precision immunotherapy with the potential to provide permanent immune stimulation for difficult-to-treat cancers through targeting myeloid function. Currently in phase I/II clinical development as a potential therapy for patients with untreatable solid tumours, *bexmarilimab* has potential as a single-agent therapy or in combination with other standard treatments including immune checkpoint molecules. Traumakine® is an investigational intravenous (IV) interferon beta-1a therapy for the treatment of acute respiratory distress syndrome (ARDS) and other ischemic or hyperinflammatory conditions. Traumakine® is currently being evaluated in global trials as a potential treatment for hospitalised patients with COVID-19 and with the 59th Medical Wing of the US Air Force and the US Department of Defense for the prevention of multiple organ dysfunction syndrome (MODS) after ischemia-reperfusion injury caused by a major trauma. Faron is based in Turku, Finland. Further information is available at [www.faron.com](http://www.faron.com).

**Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014****1 Details of the person discharging managerial responsibilities/person closely associated**

a.	Name	Toni Hänninen				
<b>2 Reason for notification</b>						
a.	Position/Status	Person discharging managerial responsibilities				
b.	Initial notification/ Amendment	Initial notification				
<b>3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>						
a.	Name	Faron Pharmaceuticals Oy				
b.	LEI	7437009H31TO1DC0EB42				
<b>4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>						
a.	Description of the financial instrument, type of instrument  Identification Code	Options over ordinary shares  ISIN: FI4000153309				
b.	Nature of the transaction	Exercise of options made pursuant to the Faron Option Plan 2015 exercisable at €1.09 per ordinary share				
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>€1.09</td> <td>40,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	€1.09	40,000
Price(s)	Volume(s)					
€1.09	40,000					
d.	Aggregated information  - Aggregated Volume  - Price	40,000  €1.09				
e.	Date of the transaction	24 March 2021				

f.	Place of the transaction	Turku, Finland
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