

Faron Pharmaceuticals Ltd
("Faron" or the "Company")

Grant of Options

Company announcement, January 28, 2022 at 09:00 AM (EET) / 07:00 AM (GMT) / 02:00 AM (EDT)

TURKU, FINLAND / BOSTON, MA - Faron Pharmaceuticals Ltd (AIM: FARN, First North: FARON), a clinical stage biopharmaceutical company focused on building the future of immunotherapy by harnessing the power of the immune system to tackle cancer and inflammation, announces that the Board of Faron has granted 100,000 options over ordinary shares in the Company ("Options") under the Faron 2019 Option Plan to Dr. Marie-Louise Fjällskog, who was appointed as Faron's new Chief Medical Officer on January 3, 2022. The Options have been allocated under the U.S. Sub-Plan of Faron's 2019 Option Plan and are exercisable between 17 November 2022 and 17 November 2026 at an exercise price of €4.04 per share, vesting 25% per annum over a period of four years. The exercise price is calculated based on the average share price per share at which the Company's ordinary shares have been traded on AIM over a period of 30 days immediately preceding the grant date. The terms of the 2019 Option Plan are available on the Company's website.

The granted 100,000 Options entitle the option holder to subscribe for a total of 100,000 new ordinary shares in the Company, if exercised in full, and represent 0.19% of the fully-diluted ordinary share capital of the Company.

For more information please contact:

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About Faron Pharmaceuticals Ltd

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 humanized 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 tumors, 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 hospitalized 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.

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	Marie-Louise Fjällskog
2 Reason for notification		
a.	Position/Status	Person discharging managerial responsibilities
b.	Initial notification/ Amendment	Initial Notification
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
a.	Name	Faron Pharmaceuticals Oy
b.	LEI	7437009H31TO1DC0EB42

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						
a.	Description of the financial instrument, type of instrument Identification Code	Options over ordinary shares ISIN: FI4000153309				
b.	Nature of the transaction	Grant of options made pursuant to the Faron 2019 Option Plan exercisable at EUR 4,04 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>Nil</td> <td>100,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	Nil	100,000
Price(s)	Volume(s)					
Nil	100,000					
d.	Aggregated information - Aggregated Volume - Price	100,000 Nil				
e.	Date of the transaction	January 27, 2022				
f.	Place of the transaction	Turku				