

Faron Pharmaceuticals Ltd.
 (“Faron” or “the Company”)

Grant of options

Company announcement, July 25, 2023

TURKU, FINLAND / BOSTON, MA - Faron Pharmaceuticals Ltd. (AIM: FARN, First North: FARON), a clinical-stage biopharmaceutical company focused on tackling cancers via novel immunotherapies, today announces that the Company’s board has confirmed the grant of a total of 779,000 options over ordinary shares in the Company (“Options”) under the Company’s Share Option Plan 2019 (including its UK and US sub plans). The Options have been allocated under the Share Option Plan 2019 and are exercisable between June 8, 2024 and June 8, 2028, vesting 25% per annum over four years. The exercise price for Options allocated under the Share Option plan and the UK sub plan is €3.57 per share, which is calculated based on the average price per share at which the ordinary shares in the Company have been traded on AIM for 90 days preceding the allocation date of June 8, 2023. The exercise price for Options allocated under the US sub plan is €3.36 per share, which is calculated based on the average price per share at which the ordinary shares in the Company have been traded on AIM for 30 days preceding the allocation date of June 8, 2023. The terms of the Share Option Plan 2019 are available on the Company’s website at <https://www.faron.com/investors/general-meetings/2023>.

The granted 779,000 Options entitle the option holders to subscribe for a total of 779,000 new ordinary shares in the Company, if exercised in full, and represent 1.18 % of the fully diluted ordinary share capital of the Company.

Included in the number of Options granted are the following Options which were issued to directors, other persons discharging managerial responsibilities (“PDMRs”), scientific advisory board (“SAB”) members and Company personnel:

Director	Options granted
Frank Armstrong	60,000
Erik Ostrowski	30,000
John Poulos	30,000
Anne Whitaker	30,000
Tuomo Pätsi	30,000
Markku Jalkanen	60,000
Total directors	240,000
Other PDMR	
James O’Brien	50,000
Marie-Louise Fjällskog	40,000
Juho Jalkanen	65,000

Maija Hollmén	6,000
Vesa Karvonen	30,000
Juuso Vakkuri	30,000
Kaisa Kyttä	11,000

Total other PDMRs **232,000**

SAB member

Tyler Curiel	10,000
Sirpa Jalkanen*	10,000
Jonathan Knowles	10,000

Total SAB **30,000**

* Sirpa Jalkanen is a person closely associated (“PCA”) to Markku Jalkanen.

Total Company personnel **779,000**

For more information please contact:

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About Faron Pharmaceuticals Ltd.

Faron (AIM: FARN, First North: FARON) is a global, clinical-stage biopharmaceutical company, focused on tackling cancers via novel immunotherapies. Its mission is to bring the promise of immunotherapy to a

broader population by uncovering novel ways to control and harness the power of the immune system. The Company's lead asset is *bexmarilimab*, a novel anti-Clever-1 humanized antibody, with the potential to remove immunosuppression of cancers through targeting myeloid cell function. *Bexmarilimab* is being investigated in Phase I/II clinical trials as a potential therapy for patients with hematological cancers in combination with other standard treatments. 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	<i>a) Frank Armstrong</i> <i>b) Erik Ostrowski</i> <i>c) John Poulos</i> <i>d) Anne Whitaker</i> <i>e) Tuomo Päätsi</i> <i>f) Markku Jalkanen</i> <i>g) James O'Brien</i> <i>h) Marie-Louise Fjällskog</i> <i>i) Juho Jalkanen</i> <i>j) Maija Hollmén</i> <i>k) Vesa Karvonen</i> <i>l) Juuso Vakkuri</i> <i>m) Kaisa Kyttä</i> <i>n) Sirpa Jalkanen</i>
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 under the Faron Share Option Plan 2019 – under the UK and US sub plans the options are exercisable at €3.57 per ordinary share, and at €3.36 per ordinary share respectively.																														
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr><td>a) €3.57</td><td>a) 60,000</td></tr> <tr><td>b) €3.36</td><td>b) 30,000</td></tr> <tr><td>c) €3.36</td><td>c) 30,000</td></tr> <tr><td>d) €3.36</td><td>d) 30,000</td></tr> <tr><td>e) €3.57</td><td>e) 30,000</td></tr> <tr><td>f) €3.57</td><td>f) 60,000</td></tr> <tr><td>g) €3.36</td><td>g) 50,000</td></tr> <tr><td>h) €3.36</td><td>h) 40,000</td></tr> <tr><td>i) €3.57</td><td>i) 65,000</td></tr> <tr><td>j) €3.57</td><td>j) 6,000</td></tr> <tr><td>k) €3.57</td><td>k) 30,000</td></tr> <tr><td>l) €3.57</td><td>l) 30,000</td></tr> <tr><td>m) €3.57</td><td>m) 11,000</td></tr> <tr><td>n) €3.57</td><td>n) 10,000</td></tr> </tbody> </table>	Price(s)	Volume(s)	a) €3.57	a) 60,000	b) €3.36	b) 30,000	c) €3.36	c) 30,000	d) €3.36	d) 30,000	e) €3.57	e) 30,000	f) €3.57	f) 60,000	g) €3.36	g) 50,000	h) €3.36	h) 40,000	i) €3.57	i) 65,000	j) €3.57	j) 6,000	k) €3.57	k) 30,000	l) €3.57	l) 30,000	m) €3.57	m) 11,000	n) €3.57	n) 10,000
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d.	Aggregated information - Aggregated Volume - Price	Nil																														
e.	Date of the transaction	July 21, 2023																														
f.	Place of the transaction	Turku																														