

Grant of options

TURKU, FINLAND – Faron Pharmaceuticals Oy (AIM: FARN, First North: FARON), the clinical stage biopharmaceutical company, announces that the Company's board has confirmed the grant of a total of 690,333 options over ordinary shares in the Company ("Options") under the Company's Share Option Plan 2019. The Options have been allocated under the Share Option Plan 2019 and are exercisable between 23 July 2021 and 23 July 2025 at an exercise price of €3.80 per share (£3.44), vesting 25% per annum over a period of four years. The exercise price is calculated based on the average price per share at which the ordinary shares in the Company have been traded on AIM over a period of 90 days preceding the allocation date of 23 July 2020. The amended terms of the Share Option Plan 2019 are as attached to the notice of the Company's 2020 annual general meeting, available on the Company's website, results of which were announced on 18 May 2020.

The granted 690,333 Options entitle the option holders to subscribe for a total of 690,333 new ordinary shares in the Company, if exercised in full, and represent 1.5% 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") persons closely associated with them ("PCAs") and Company personnel:

Director	Options granted
Armstrong Frank	60,000
Brown Gregory	30,000
Jalkanen Markku	120,000
Manner Matti	30,000
Poulos John	30,000
Zambeletti Leopoldo	30,000
Total directors	300,000
Other PDMR	
Honkasalo Pessi	12,000
Hänninen Toni	43,333
Jalkanen Juho	32,500
Karvonen Matti	32,500
Lahtinen Maria	21,000
Mandelin Jami	21,000
Wichmann Yrjö	12,000
Total other PDMRs	174,333
Scientific Advisory Board	
Jalkanen Sirpa*	10,000
Knowles Jonathan	10,000
Curiel Tyler	10,000
Total SAB	30,000
*Jalkanen Sirpa is a person closely associated ("PCA") to Jalkanen Markku	
Total Company personnel	186,000

1	Details of the person discharging managerial responsibilities/person closely associated			
a.	Name	Armstrong Frank		
		Brown Gregory		
		Honkasalo Pessi		
		Hänninen Toni		
		Jalkanen Juho		
		Jalkanen Markku		
		Jalkanen Sirpa		
		Karvonen Matti		
		Lahtinen Maria		
		Mandelin Jami		
		Manner Matti		
		Poulos John		

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f. Place of the transaction Turku								
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For more information please contact:

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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. The Company currently has a pipeline based on the receptors involved in regulation of immune response in oncology and organ damage. Clevegen (*bexmarilimab*), its investigative precision immunotherapy, is a novel anti-Clever-1 antibody with the ability to switch immune suppression to immune activation in various conditions, with potential across oncology, infectious disease and vaccine development. Currently in phase I/II clinical development as a novel macrophage checkpoint immunotherapy for patients with untreatable solid tumours, Clevegen has potential as a single-agent therapy or in combination with other standard treatments including immune checkpoint molecules. Traumakine, the Company's pipeline candidate to prevent vascular leakage and organ failures is currently being tested in several Phase III studies around the world against COVID-19. Traumakine is intravenous IFN beta-1a, which is a strong anti-viral and anti-inflammatory agent. Faron is based in Turku, Finland. Further information is available at www.faron.com