



## 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
<b>Total directors</b>	<b>300,000</b>
<b>Other PDMR</b>	
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
<b>Total other PDMRs</b>	<b>174,333</b>
<b>Scientific Advisory Board</b>	
Jalkanen Sirpa*	10,000
Knowles Jonathan	10,000
Curiel Tyler	10,000
<b>Total SAB</b>	<b>30,000</b>
*Jalkanen Sirpa is a person closely associated (“PCA”) to Jalkanen Markku	
<b>Total Company personnel</b>	<b>186,000</b>

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	Armstrong Frank Brown Gregory Honkasalo Pessi Hänninen Toni Jalkanen Juho Jalkanen Markku Jalkanen Sirpa Karvonen Matti Lahtinen Maria Mandelin Jami Manner Matti Poulos John

		Wichmann Yrjö Zambeletti Leopoldo																														
<b>2</b>	<b>Reason for notification</b>																															
a.	Position/Status	Person discharging managerial responsibilities/person closely associated																														
b.	Initial notification/Amendment	Initial notification																														
<b>3</b>	<b>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</b>	<b>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: F14000153309																														
b.	Nature of the transaction	Grant of options made pursuant to the Faron Share Option Plan 2019 exercisable at €3.80 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>60,000</td> </tr> <tr> <td></td> <td>30,000</td> </tr> <tr> <td></td> <td>12,000</td> </tr> <tr> <td></td> <td>43,333</td> </tr> <tr> <td></td> <td>32,500</td> </tr> <tr> <td></td> <td>120,000</td> </tr> <tr> <td></td> <td>10,000</td> </tr> <tr> <td></td> <td>32,500</td> </tr> <tr> <td></td> <td>21,000</td> </tr> <tr> <td></td> <td>21,000</td> </tr> <tr> <td></td> <td>30,000</td> </tr> <tr> <td></td> <td>30,000</td> </tr> <tr> <td></td> <td>12,000</td> </tr> <tr> <td></td> <td>30,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	Nil	60,000		30,000		12,000		43,333		32,500		120,000		10,000		32,500		21,000		21,000		30,000		30,000		12,000		30,000
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d.	Aggregated information- Aggregated Volume- Price	484,333Nil																														
e.	Date of the transaction	13 October 2020																														
f.	Place of the transaction	Turku																														

**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](http://www.faron.com)