

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

**Results of
the Extraordinary General Meeting**

Company Announcement, July 7, 2022 at 11:45 AM (EEST) / 9:45 AM (BST) / 04:45 AM (EDT)

TURKU - FINLAND / BOSTON, MA, 7 July 2022 – 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 extraordinary general meeting (the "EGM") of the Company took place today, July 7, 2022 in Turku, Finland. The EGM approved the proposal of the board of directors ("Board") to authorise the Board to decide on the issuance of shares, options or other special rights entitling to shares, as set out in the notice of the EGM published on June 16, 2022.

Decisions of the EGM – Authorisation of the Board to decide on the issuance of shares, options or other special rights entitling to shares

The Board was authorised to resolve by one or several decisions on issuances of shares, options or other special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Limited Liability Companies Act (the "Companies Act"), which authorisation contains the right to issue new shares or dispose of the Company's own shares in the possession of the Company. The authorisation consists of up to eleven million (11,000,000) new shares in the aggregate (including shares to be received based on options or other special rights), as well as the conveyance of up to the same maximum number (eleven million (11,000,000)) of treasury shares in the possession of the Company (the "Authorisation").

The Authorisation includes the Board's right to decide on the issuance of shares, options or other special rights entitling to shares in deviation from the shareholders' pre-emptive rights. The Authorisation shall be used for material arrangements from the Company's point of view, such as financing (including, without limitation, issuance of warrants under the funding agreement with IPF Partners announced on February 28, 2022) or implementing business arrangements, investments or for other such purposes determined by the Board where a weighty financial reason for issuing shares, options or other special rights entitling to shares, and possibly deviating from the shareholders' pre-emptive rights, exists.

The Board was authorised to resolve on all other terms and conditions of the issuance of shares, options or other special rights entitling to shares.

The authorisation is effective until June 30, 2023.

Minutes of the EGM

The minutes of the EGM will be available on the Company's website from July 21, 2022 at the latest.

For more information please contact:

**Investor Contact
Faron Pharmaceuticals**

Julia Balanova
VP, Investor Relations
julia.balanova@faron.com
investor.relations@faron.com
Phone: +1 (917) 306-6096

Media Contact

Faron Pharmaceuticals

Eric Van Zanten
VP, Communications
eric.vanzanten@faron.com
Phone: +1 (610) 529-6219

Cairn Financial Advisers LLP, Nomad

Sandy Jamieson, Jo Turner
Phone: +44 (0) 207 213 0880

Peel Hunt LLP, Broker

Christopher Golden, James Steel
Phone: +44 (0) 20 7418 8900

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
faron@consilium-comms.com
Phone: +44 (0)20 3709 5700

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 solid tumors and hematologic malignancies, 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 by 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.

Forward Looking Statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "expect", "hope", "seek", "envisage", "estimate", "intend", "may", "plan", "potentially", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

A number of factors could cause actual results to differ materially from the results and expectations discussed in the forward-looking statements, many of which are beyond the control of the Company. In particular, the early data from initial patients in the MATINS trial may not be replicated in larger patient numbers and the outcome of clinical trials may not be favourable or clinical trials over and above those currently planned may be required before the Company is able to apply for marketing approval for a product. In addition, other factors which could cause actual results to differ materially include the ability of the Company to successfully licence its programmes within the anticipated timeframe or at all, risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets or other sources of funding, reliance on key personnel, uninsured and underinsured losses and other factors. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Subject to any continuing obligations under applicable law or any relevant AIM Rule requirements, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.