

Faron Pharmaceuticals Oy
("Faron" or "Company")

Approval of Warrant Terms and Conditions

Company announcement, April 8, 2024 at 12:10 AM (EDT) / 7:10 AM (BST) / 9:10 AM (EEST)

TURKU, FINLAND / BOSTON, MA - Faron Pharmaceuticals Ltd. (AIM: FARN, First North: FARON), a clinical-stage biopharmaceutical company pursuing a CLEVER approach to reprogramming myeloid cells to activate anti-tumor immunity in hematological and solid tumor microenvironments, today announces that the Board of Directors of Faron has approved the terms and conditions of the remaining 832,934 warrants pursuant to the terms of the warrant holder agreement (the "**Warrantholder Agreement**") entered into between the Company and IPF as announced on March 28, 2024. It was previously announced that the maximum total number of warrants to be granted pursuant to the Warrantholder Agreement is 1,500,000, and the Board of the Company shall cause the registration of the remaining warrants after the Annual General Meeting 2024 of the Company, held on April 5, 2024. Each warrant entitles its holder to subscribe for one new share in the Company.

Further, pursuant to the terms of the Warrantholder Agreement, the number of warrants to be issued to IPF may be further increased upon (and subject to) agreed adjustment events so that the total number of new shares in the Company (issued as a result of the exercise of the increased number of warrants) multiplied by the (adjusted) subscription price per share in any subsequent share offering undertaken by the Company is equal to EUR 1,000,000 (minus any amounts already paid). The Company announced on April 4, 2024, that the Company had resolved to issue an additional 53,570 warrants to IPF based on the placement of 3,200,298 newly issued treasury shares at the issue price of EUR 1.50.

The strike price of the IPF warrants is currently EUR1.50 and will be adjusted to any lower subsequent subscription price of shares in any future share issue. The Company will separately publish an announcement on the issuance of any of the additional warrants.

For more information please contact:

Investor Contact

LifeSci Advisors

Daniel Ferry

Managing Director

daniel@lifesciadvisors.com

+1 (617) 430-7576

ICR Consilium

Mary-Jane Elliott, David Daley, Lindsey Neville

Phone: +44 (0)20 3709 5700

E-mail: faron@consiliumcomms.com

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 Jävelä

Phone: +358 (0)50 553 8990

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-Cleaver-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 treatments and as a monotherapy in last line solid cancers. Further information is available at www.faron.com.

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