NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO THE UNITED STATES OR IN OR INTO JAPAN, AUSTRALIA, SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH OFFERS OR SALES OF THE SECURITIES WOULD BE PROHIBITED BY APPLICABLE LAW

Pharming announces the placement of €125 million senior unsecured convertible bonds due 2025

Highlights

- Replaces and repays the loan facility with Orbimed
- Accelerates expansion of production and commercial capability including new territories reacquired from Sobi
- Allows Pharming to extend its debt maturity profile through the period of development of its existing pipeline
- Following the issue of the Bonds, Pharming will reduce its financing cost from over 13% to 3%

Leiden, The Netherlands, 14 January 2020: Pharming Group N.V. ("Pharming" or the "Company") (Euronext Amsterdam: PHARM) announces today the placement of €125 million of senior unsecured convertible bonds due 2025 (the "Bonds"). The offer was fully subscribed. The Bonds were offered via an accelerated book building process through a private placement only to institutional investors outside the United States of America, Australia, South Africa and Japan.

The net proceeds of the issue of the Bonds will be used to redeem the approximately US$ 56 million loan with Orbimed Advisors in full, thereby reducing the Company's financing costs and extending its debt maturity through the period to approval of most of the Company's existing pipeline. The balance of the net proceeds will be used to support capital expenditure in relation to the expansion of the commercialisation and manufacturing infrastructure of the Company, and serve as funding for the launch of Pharming's recently acquired Leniolisib product and for additional acquisitions/inlicensing opportunities.

Sijmen de Vries, Pharming CEO, said

> "This is a superb new capital financing for Pharming, which does not dilute shareholders unless the share price increases significantly, and which represents the most cost efficient way to shareholders for the Company to refinance, enlarge and extend our previous debt facility. Further to having additional cash at hand to support funding our growth, launch plans and additional inlicensing opportunities, we are especially pleased that our financing costs will now be much lower, which will in turn increase our profitability and will significantly reduce the financing cash outflows".

The Bonds will have a principal amount of €100,000 each. The Bonds will be issued at par and will carry a coupon of 3.00% per annum payable semi-annually in arrear in equal instalments. Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed at par on 21 January 2025.

The Bonds will be convertible into ordinary shares of the Company (the "Shares") with the initial conversion price which has been set at €2.0028, representing a premium of 40% above the volume weighted average price (VWAP) of an ordinary share in the share capital of the Company on Euronext

Amsterdam between opening of trading on the launch date and the pricing of the offering of the Bonds (i.e. €1.4306). This initial conversion price will be subject to customary adjustment provisions as will be set out in the terms and conditions of the Bonds.

The number of ordinary shares initially underlying the Bonds is 62,412,622, representing 9.9% of the Company's current issued share capital. Any adjustment to the conversion price resulting in an increase in the number of conversion chares may require the Company to obtain further authorisation from its shareholders to issue Shares, grant rights to subscribe for Shares and exclude pre-emptive rights.

Further Details on the Bonds

Pharming will have the option to redeem all, but not some only, of the outstanding Bonds in cash at par plus accrued interest at any time, a) if, on or after 13 February 2023, the parity value on each of at least 20 dealing days in a period of 30 consecutive dealing days shall have exceeded 130% of the principal amount or b) if, at any time, 85% or more of the aggregate principal amount of the Bonds originally issued shall have been previously converted and/or repurchased and cancelled.

Closing and settlement of the offering are expected to take place on or around 21 January 2020 (the "Issue Date").

Application will be made for the Bonds to be admitted to trading on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange by no later than 20 February 2020.

In the context of the offering, the Company and the Company's subsidiaries have agreed to a lock-up undertaking in respect of further issues of Shares and rights to acquire Shares for a period commencing on pricing and ending 90 calendar days following the Issue Date, subject to certain customary exceptions (including exceptions for existing approved employee share schemes) and waiver by the Sole Global Coordinator and Sole Bookrunner.

J.P. Morgan acted as Sole Global Coordinator and Sole Bookrunner for the offering of the Bonds.

--- Ends ---

About Pharming Group N.V.

Pharming is a specialty pharmaceutical company developing innovative products for the safe, effective treatment of rare diseases and unmet medical needs. Pharming's lead product, RUCONEST® (conestat alfa) is a recombinant human C1 esterase inhibitor approved for the treatment of acute Hereditary Angioedema ("HAE") attacks in patients in Europe, the US, Israel and South Korea. The product is available on a named-patient basis in other territories where it has not yet obtained marketing authorisation.

RUCONEST® is commercialised by Pharming in the USA and in Europe, and the Company holds all other commercialisation rights in other countries not specified below. In some of these other countries distribution is made in association with the HAEi Global Access Program (GAP). RUCONEST® is

distributed in Argentina, Colombia, Costa Rica, the Dominican Republic, Panama, and Venezuela by Cytobioteck, in South Korea by HyupJin Corporation and in Israel by Kamada.

RUCONEST® is also being evaluated for various additional indications. Pharming's technology platform includes a unique, GMP-compliant, validated process for the production of pure recombinant human proteins that has proven capable of producing industrial quantities of high quality recombinant human proteins in a more economical and less immunogenetic way compared with current cell-line based methods.

In addition to RUCONEST® and variants of recombinant human C1 esterase inhibitor, Pharming has recently in-licensed Lincoln from Novartis, a small molecule which is in a registrational study for APDS, a form of Primary Immunodeficiency. Leads for enzyme replacement therapy ("ERT") for Pompé and Fabry's diseases are also being produced and optimised respectively at present, with additional programs not involving ERT also being explored at an early stage.

Pharming has a long term partnership with the China State Institute of Pharmaceutical Industry ("CSIPI"), a Sinopharm company, for joint global development of new products, starting with recombinant human Factor VIII for the treatment of Haemophilia A. Preclinical development and manufacturing will take place to global standards at CSIPI and its affiliates and are funded by CSIPI. Clinical development will be shared between the partners with each partner taking the costs for their territories under the partnership.

Forward-looking Statements

This press release of Pharming Group N.V. and its subsidiaries ("Pharming", the "Company") may contain forward-looking statements including without limitation those regarding Pharming's financial projections, market expectations, developments, partnerships, plans, strategies and capital expenditures.

The Company cautions that such forward-looking statements may involve certain risks and uncertainties, and actual results may differ. Risks and uncertainties include without limitation the effect of competitive, political and economic factors, legal claims, the Company's ability to protect intellectual property, fluctuations in exchange and interest rates, changes in taxation laws or rates, changes in legislation or accountancy practices and the Company's ability to identify, develop and successfully commercialize new products, markets or technologies.

As a result, the Company's actual performance, position and financial results and statements may differ materially from the plans, goals and expectations set forth in such forward-looking statements. The Company assumes no obligation to update any forward-looking statements or information, which should be taken as of their respective dates of issue, unless required by laws or regulations.

Inside Information

This press release relates to the disclosure of information that qualified, or may have qualified, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Contacts:

Pharming Group N.V.

Sijmen de Vries, CEO, Tel: +31 71 524 7400
Robin Wright, CFO, Tel: +31 71 524 7400

FTI Consulting, London, UK:
Victoria Foster Mitchell, Tel: +44 203 727 1136
Lifespring Life Sciences Communication, Amsterdam, The Netherlands
Leon Melens, Tel: +31 6 53 81 64 27

NO ACTION HAS BEEN TAKEN BY THE ISSUER, THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER OR ANY OF THEIR RESPECTIVE AFFILIATES THAT WOULD PERMIT AN OFFERING OF THE BONDS OR POSSESSION OR DISTRIBUTION OF THIS PRESS RELEASE OR ANY OFFERING OR PUBLICITY MATERIAL RELATING TO THE BONDS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. PERSONS INTO WHOSE POSSESSION THIS PRESS RELEASE COMES ARE REQUIRED BY THE ISSUER AND THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

THIS PRESS RELEASE IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES. THIS PRESS RELEASE IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES, NOR SHALL THERE BE ANY OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SALE WOULD BE UNLAWFUL.

THIS PRESS RELEASE AND THE OFFERING WHEN MADE ARE ONLY ADDRESSED TO, AND DIRECTED IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "EEA") AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(E) OF THE PROSPECTUS REGULATION ("QUALIFIED INVESTORS"). FOR THESE PURPOSES, THE EXPRESSION "PROSPECTUS REGULATION" MEANS REGULATION (EU) 2017/1129.

THIS PRESS RELEASE HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF THE BONDS IN ANY MEMBER STATE OF THE EEA WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS REGULATION FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF SECURITIES.

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED ("MIFID II"); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; AND (C) LOCAL IMPLEMENTING MEASURES (TOGETHER, THE "MIFID II PRODUCT GOVERNANCE REQUIREMENTS"), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY "MANUFACTURER" (FOR THE PURPOSES OF THE MIFID II PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE BONDS HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE BONDS IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE BONDS TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO ANY OFFERING OF THE BONDS.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II; OR (B) A

RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS.

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

IN ADDITION, IN THE UNITED KINGDOM THIS PRESS RELEASE IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT, QUALIFIED INVESTORS (I) WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER") AND QUALIFIED INVESTORS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, AND (II) TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS PRESS RELEASE MUST NOT BE ACTED ON OR RELIED ON (I) IN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT RELEVANT PERSONS, AND (II) IN ANY MEMBER STATE OF THE EEA OTHER THAN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT QUALIFIED INVESTORS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS PRESS RELEASE RELATES IS AVAILABLE ONLY TO (A) RELEVANT PERSONS IN THE UNITED KINGDOM AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS IN THE UNITED KINGDOM AND (B) QUALIFIED INVESTORS IN MEMBER STATES OF THE EEA (OTHER THAN THE UNITED KINGDOM).

THE BONDS MAY BE SOLD ONLY TO PURCHASERS IN THE PROVINCES OF CANADA PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE BONDS OR ORDINARY SHARES ISSUED ON CONVERSION OF THE BONDS MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

ANY DECISION TO PURCHASE ANY OF THE BONDS SHOULD ONLY BE MADE ON THE BASIS OF AN INDEPENDENT REVIEW BY A PROSPECTIVE INVESTOR OF THE ISSUER'S PUBLICLY AVAILABLE INFORMATION. NEITHER THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER NOR ANY OF THEIR RESPECTIVE AFFILIATES ACCEPT ANY LIABILITY ARISING FROM THE USE OF, OR MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF, THIS PRESS RELEASE OR THE ISSUER'S PUBLICLY AVAILABLE INFORMATION. THE INFORMATION CONTAINED IN THIS PRESS RELEASE IS SUBJECT TO CHANGE IN ITS ENTIRETY WITHOUT NOTICE UP TO THE ISSUE DATE.

EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT IT MUST BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE BONDS OR THE ORDINARY SHARES TO BE ISSUED OR TRANSFERRED AND DELIVERED UPON CONVERSION OF THE BONDS AND NOTIONALLY UNDERLYING THE BONDS (TOGETHER WITH THE BONDS, THE "SECURITIES"). NEITHER THE ISSUER NOR THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER MAKE ANY REPRESENTATION AS TO (I) THE SUITABILITY OF THE SECURITIES FOR ANY PARTICULAR INVESTOR, (II) THE APPROPRIATE ACCOUNTING TREATMENT AND POTENTIAL TAX CONSEQUENCES OF INVESTING IN THE SECURITIES OR (III) THE

FUTURE PERFORMANCE OF THE SECURITIES EITHER IN ABSOLUTE TERMS OR RELATIVE TO COMPETING INVESTMENTS.

THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER IS ACTING ON BEHALF OF THE ISSUER AND NO ONE ELSE IN CONNECTION WITH THE BONDS AND WILL NOT BE RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTIONS AFFORDED TO CLIENTS OF THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER OR FOR PROVIDING ADVICE IN RELATION TO THE SECURITIES. EACH OF THE ISSUER, THE SOLE GLOBAL COORDINATOR AND SOLE BOOKRUNNER AND THEIR RESPECTIVE AFFILIATES EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO UPDATE, REVIEW OR REVISE ANY STATEMENT CONTAINED IN THIS PRESS RELEASE WHETHER AS A RESULT OF NEW INFORMATION, FUTURE DEVELOPMENTS OR OTHERWISE.

THE SECURITIES MENTIONED IN THIS DOCUMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED IN THE UNITED STATES UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, ABSENT REGISTRATION OR EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THERE WILL BE NO PUBLIC OFFER OF THE SECURITIES IN THE UNITED STATES OR IN ANY OTHER JURISDICTION.