

Pharming announces further issue of shares as employee options are exercised

*Management exercise options representing 6,240,000 shares and as result
increase their holdings by 26%*

Leiden, The Netherlands, 30 July 2018: Pharming Group N.V. (“Pharming” or “the Company”) (Euronext Amsterdam: PHARM) announced today that it has issued a total of 6,240,000 new shares following exercise of warrants representing a total of 6,240,000 shares. The new shares represent an increase in the number of issued shares of 1.02%. As a result of this exercise, including shares needed to be sold to meet both the mandatory immediate withholding of Dutch income tax on exercise and funds for the exercise price of all options exercised, the members of management involved increased their holdings of shares by 26% from 5,945,458 to 7,475,126.

Two members of the Board of Management have option schemes which expire within the next 9 months, representing a total of 19.2 million shares. To prevent the exercise of such a large number of options and the consequent sale of the majority of these shares to fund income tax and option exercise prices at the time of exercise, thereby releasing almost 3% of the Company’s issued share capital on to the market over a short period of time, the option holders took the decision to spread the exercise over as many open periods as may be declared for them as insiders until that expiry date, in order to create as little effect on the Pharming stock price as possible.

As is standard for exercises of employee share options in listed companies across the world, Pharming share options are exercised by (i) exercising the options, and then (ii) selling such proportion of the resulting shares on the open market as is required to enable the option holder to pay (a) the exercise price of the options to the Company and (b) the income tax due on the gain as determined by reference to the option holder’s tax circumstances at their marginal tax rate. In the case of a large exercise of options in the Netherlands, this, by default, results in the immediate sale of the major part of the option shares in the market to meet these two cash requirements.

Dr Sijmen de Vries, Chief Executive Officer of Pharming, commented:

“The Board of Management is absolutely committed to the success of Pharming, and as can be seen, we are very happy to convert our holdings of options into holdings of Pharming shares at this time. We understand that some observers were not aware of the required sales of considerable amounts of shares necessary to pay the exercise price and tax obligations created by such exercises.”

We have been asked why our stock price has become so fluid recently. One big reason, we suspect, is that small shareholders are holding their stocks at brokerages who, usually without the shareholders’ knowledge, are regularly engaging in lending their shares for a fee to institutions who specialise in automated (short- term) short-selling stocks. This is where the short-seller institution sells a lot of stock they do not in fact own in the morning at the market price, thereby putting downward pressure on the stock price, which is then amplified by (small) shareholders following these sales, which is then followed in turn by the short- seller buying back the stock in the afternoon at the lower price to meet their sales obligations, making themselves a net gain during that day.

Revised Share Capital Structure

	26 July 2018	Shares issued	Shares reserved	31 July 2018
Shares	610,411,871	6,240,000		616,651,871
Warrants	1,222,711			1,222,711
Options	37,598,274		(6,240,000)	31,358,274
LTIP	8,063,864			8,063,864
Issued	657,296,716			657,296,716
Available for issue	142,703,284			142,703,284
Authorised share capital	800,000,000			800,000,000

– 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 authorization.

RUCONEST® is distributed by Pharming in Austria, France, Germany, Luxembourg, the Netherlands, the United Kingdom and the United States of America. Pharming holds commercialisation rights in Algeria, Andorra, Bahrain, Belgium, Ireland, Jordan, Kuwait, Lebanon, Morocco, Oman, Portugal, Qatar, Syria, Spain, Switzerland, Tunisia, United Arab Emirates and Yemen. In some of these countries distribution is made in association with the HAEi Global Access Program (GAP).

RUCONEST® is distributed by Swedish Orphan Biovitrum AB (publ) (SS: SOBI) in the other EU countries, and in Azerbaijan, Belarus, Georgia, Iceland, Kazakhstan, Liechtenstein, Norway, Russia, Serbia and Ukraine.

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 examined for approval for the treatment of HAE in young children (2-13 years of age) and evaluated for various additional follow-on 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. Leads for enzyme replacement therapy ("ERT") for Pompe and Fabry's diseases are being optimized at present, with additional programs not involving ERT also being explored at an early stage at present.

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. Pre-clinical development and manufacturing will take place to global standards at CSIPI 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.

Additional information is available on the Pharming website: www.pharming.com

Forward-looking Statements

This press release of Pharming Group N.V. and its subsidiaries (“Pharming”, the “Company” or the “Group”) 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.

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