**Pharming announces issue of new stock as a result of conversion of Amortizing Bonds**

* **Total number of shares issued in the conversions is 10,823,881 ordinary shares**
* **Amount of Amortizing Bonds outstanding is reduced from €45.0 million to €41.9 million**

*Leiden, The Netherlands*, 26 January 2017: Pharming Group N.V. (“Pharming” or “the Company”) (EURONEXT: PHARM) today announced that it has issued 10,823,881 new shares to holders of the Amortizing Bonds due 2017/8 who have converted some of their Bonds into shares ahead of the due date for payment of the first instalment on those Bonds. Most of these conversions will be credited against the scheduled first instalment of the Bonds, due on 1 February 2017, reducing the cash due from the Company. The conversions all took place at the conversion price of the Amortizing Bonds of €0.289 per share, a premium of 30% to the 20-day volume-weighted average price (VWAP) of €0.222 as at 18 November 2016, the business day prior to publication of Pharming’s Rights Issue prospectus on 21 November 2016 which included details of the Amortizing Bonds, and a premium of 41% to the rights price offered to existing shareholders in the rights issue on that date. As result of these conversions, the total amount outstanding of the Amortizing Bonds has been reduced from €45.0 million to €41.9 million.

The new shares represent 2.38% of the issued share capital of the Company prior to the issue, and 2.32% of the enlarged issued share capital of the Company. The revised issued share capital of the Company following this issue is 466,411,193 shares.

**Dr Sijmen de Vries, Pharming’s CEO commented:**

*“We are very pleased that some holders of these Bonds have decided to convert their bonds rather than be paid cash for the first instalment, as this shows confidence in the rising level of the Pharming share price by those holders. It also saves the Company cash at a time when we are putting every effort into developing RUCONEST® faster in the United States and Western Europe. These shares have effectively been issued at a significant premium to the share price at the time of completion of the acquisition of the North American commercial rights to RUCONEST from Valeant.”*

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**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 commercialized by Pharming in Algeria, Andorra, Austria, Bahrain, Belgium, France, Germany, Ireland, Jordan, Kuwait, Lebanon, Luxembourg, Morocco, the Netherlands, Oman, Portugal, Qatar, Syria, Spain, Switzerland, Tunisia, the United Arab Emirates, the United Kingdom, the United States of America and Yemen.

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 Megapharm.

RUCONEST® is also being investigated in a Phase II clinical trial 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 Pompé 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.

Pharming has declared that the Netherlands is its “Home Member State” pursuant to the amended article 5:25a paragraph 2 of the Dutch Financial Supervision Act.

Additional information is available on the Pharming website: [**www.pharming.com**](http://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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