MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF PHARMING GROUP N.V.

DATED 11 DECEMBER 2020

These are the minutes of the Extraordinary General Meeting of shareholders of **Pharming Group N.V.** - a public liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, having its official seat (*statutaire zetel*) in Leiden, the Netherlands, and its registered office address at Darwinweg 24, 2333 CR Leiden, the Netherlands (hereafter referred to as "**Company**" or "**Pharming**") -, held at the Johan Cruijff Arena in Amsterdam, the Netherlands, on 11 December 2020 at 14:00 CEST.

Chairman:	Mr. P. Sekhri, Chairman of the Company's Board of Supervisory Directors – hereafter referred to as "**Chairman**")
Secretary:	Mr. R. van Outersterp

1. OPENING AND ANNOUNCEMENTS

The Chairman opened the meeting at 14:00 CEST and welcomed all attendees.

The Chairman noted that the meeting would mark the start of an important new chapter in Pharming's history, as several proposals, if adopted, will support the Company in preparing for a secondary listing of American Depository Shares in the US and the implementation of a one-tier board structure. In addition, Ms. Barbara Yanni and Mr, Mark Pykett were officially welcomed, as they were proposed for appointment as new non-executive board members.

The Chairman noted that the meeting had a digital set-up, as the COVID-19 pandemic is still ongoing. He thanked the shareholders for their understanding. To restrict the number of people that are attending, only Mr. Aad de Winter, Mr. Sijmen de Vries and the new CFO, Mr. Jeroen Wakkerman, were present in the room, together with the civil law notary and the company secretary. All other members of the Board of Supervisory Directors and the Board of Management, attended the meeting online.

The Chairman noted that Mr. Juergen Ernst was not joining the meeting, as he had decided on 23 November, 2020, for personal reasons, to retire from the Board of Supervisory Directors with immediate effect. The Chairman seized the opportunity to thank Mr. Ernst once again for the more than 11 years of service and dedication he has shown to Pharming and wished him a long and happy retirement.

The Chairman noted that the meeting had been convened by means of an announcement on Pharming's website and a press release issued on 29 October, 2020. The agenda for this meeting was included in the notice to convene, and all relevant meeting documents were published at that moment, all in accordance with the applicable statutory requirements. As a result, valid and binding resolutions could be adopted during this meeting on all voting items. To avoid any doubts, the Chairman emphasized that, in accordance with Dutch law, resolutions would also be valid if there would be any technical disruption during the meeting, although everything in Pharming's power would be done to avoid such disruptions.

The Chairman informed the attendees that a total number of 370 shareholders and 67,711,138 shares were present or represented in the meeting and were entitled to vote on all items on the agenda. The Chairman mentioned that all these shareholders had issued a proxy with voting instructions either to the company or to the civil notary Mr. Van der Bijl of NautaDutilh.

The Chairman mentioned that, given the special circumstances, the procedure for asking questions during the meeting would be slightly different than usual. In the convocation, shareholders had been invited to send their questions on the agenda items by e-mail prior to this meeting. The Chairman informed the attendees on the procedure for follow-up questions during the meeting.

Finally, the Chairman noted that a full audio recording was announced to be made for preparing the minutes. These minutes will be published in draft form on the website within three months after the meeting (i.e., 11 March 2021).

Thereafter, the Chairman moved to agenda item 2.

2. Change of the Company's corporate governance structure

The Chairman referred to the detailed outline of the pursued changes to the corporate governance structure of Pharming, as included in the Explanatory Notes for the meeting. He noted that the main pursued change is that the two-tier board model, featuring a management board supervised by a separate supervisory board, will be changed into a one-tier board model. As a result, the management and the supervisory expertise will be integrated into one single corporate body. Mr. Sekhri mentioned that this one-tier board model will further improve Pharming's internal governance processes, as it will encourage mutual interaction.

As described in the Explanatory Notes to the agenda, the Board of Supervisory Directors has designated Mr. Sekri to become the Chairman of the new one-tier Board. All current members of the Board of Supervisory Directors, including the proposed new members Ms. Barbara Yanni and Mr. Mark Pykett,will be the *non-executive* Board members. The CEO, Mr. Sijmen de Vries, will be the only *executive* member of the new Board.

In the new governance structure, the CEO will be supported by an Executive Committee in the management of the day-to-day business and operations of the group and in the implementation of the strategy. The members of the current Management Committee are appointed to the new Executive Committee. The Chairman introduced the members, in addition to Mr. Sijmen de Vries as the Chair of the Executive Committee, i.e. Mr. Bruno Giannetti (Chief Medical Officer), Mr. Jeroen Wakkerman (Chief Financial Officer), Mr. Stephen Toor, Mrs. Anne-Marie de Groot and Mrs. Mireille Sanders.

Mr. Jeroen Wakkerman introduced himself. He mentioned that he is glad to have joined Pharming in November 2020. His background is in Finance and Mr. Wakkerman graduated as a Business Economist at the University of Groningen. He completed two Finance post-graduate studies afterwards in the United Kingdom. Mr. Wakkerman noted that his career so far spans 25 years. The first 5 years were at Rabobank International. The next 10 years were at Unilever where he had various roles, amongst others Company Controller and Finance Director of an operating company. The last 10 years, Mr. Wakkerman worked for SHV, a family company in the Netherlands. During the last five years, he was CFO of Nutreco, which is a global animal feed company.

Mr. Wakkerman noted that he joined Pharming at an exciting time, in which the success of Ruconest has created a growing business that is expanding its commercial reach and the product portfolio. The Company has a good base to further build on with a very engaged management team and Mr. Wakkerman said that he is very glad to be part of that team.

The Chairman continued by explaining that the new one-tier board model is not only expected to further improve internal governance processes, but that it is also a logical step in the US listing process that Pharming announced on 29 October 2020. This model is more recognizable for international investors and more consistent with global market practice, specifically in the United States.

Mr. Sijmen de Vries referred to the public announcement on 29 October, 2020, that Pharming had begun the process for approval for a secondary listing of American Depository Shares on the Nasdaq Stock Market in the US. This process was started in close consultation with, and is supported by, the

Board of Supervisory Directors. On 25 November, 2020, the Company announced the filing of the Registration Statement with the SEC. The review of this registration statement by the SEC is ongoing and Pharming is also awaiting the approval of its listing application by Nasdaq. Mr. de Vries added that Pharming will update the market when there is more news.

Mr. de Vries explained that the listing in the US, if approved, will support Pharming in taking the next steps to advance its long-term strategy, ambitions and business, expanding and building on the Company's existing major presence in the US. Mr. de Vries emphasized that there are no plans for fundraising in the US today. Moreover, the US listing does not mean that Pharming has plans to move away from its listing on Euronext Amsterdam. At present, Pharming aims for a secondary listing for Pharming in the US, while maintaining its home base in the Netherlands. The American Depository Shares will trade in the US and the ordinary shares will continue trading in the Netherlands.

The Chairman mentioned that *the Dutch investors' association VEB (Mr Tomic)* had asked by e-mail why Pharming considers the current two-board structure to be an impediment and what added-value is expected from the one-tier board structure for the internal processes and decision-making. The Chairman emphasized that Pharming does not see the two-tier board structure as an impediment, as it has functioned well since Pharming was established. The Company, however, expects the one-tier board structure to encourage an even stronger mutual cooperation and sharing of available expertise, by creating one single corporate body with a joint management responsibility. The Chairman noted that the Explanatory Notes expressly refer to *further* improving the internal governance processes.

The Chairman also referred to the question submitted by *Mr Stevense,* on behalf of a foundation representing the legal interests of investors, regarding the benefits for Pharming, as a small company with a stock price just above 1 Euro, to pursue a secondary listing on Nasdaq. He also would like to learn more about the cost-benefit analysis and the conditions and timelines for the listing in the US.

Mr. Sekhri explained that the US listing will support the Company in taking the next steps to advance its long-term strategy, ambitions and business, expanding and building on the existing major presence in the US. Mr. Sekhri noted that the listing is pursued in addition to, and not as an alternative for, the existing listing of ordinary shares on Euronext Amsterdam. There are also no plans for a fundraising today. The Chairman concluded that the US listing will expand the future opportunities to support the rapid growth of Pharming. A detailed cost-benefit analysis is therefore not deemed appropriate at this stage, although both management and the Board of Supervisory Directors are confident that the listing will be in the best interest of Pharming, its shareholders and all other stakeholders.

The Registration Statement was filed with the SEC on 25 November, 2020, and the review of this statement by the SEC is ongoing. Pharming is also awaiting the approval of its listing application by Nasdaq. So the decision to pursue the US listing was already taken and the market will be updated when there is more news.

The *VEB (Mr. David Tomic)* raised the follow-up question why Pharming still maintains its public company ("N.V.") structure, given the intended changes to its corporate governance, the new remuneration policy and the pursued US listing application. Mr. Aad de Winter referred to the fiscal considerations underlying the corporate structure, adding that Pharming has no plans to leave the Dutch homebase. Mr. de Winter also mentioned that there no other urgent reasons to reconsider the existing corporate structure either, as it fully compatible with the pursued changes and other plans.

3. Amendment of the Company's articles of association

The Chairman noted that this agenda item complements the previous agenda item 2, as the proposed amendments to the articles of association both effect and reflect the explained governance changes and anticipate the pursued US listing. The proposal also purports to designate the members of the new Board of Directors, as explained under the previous agenda item 2. Finally, it was proposed to authorize the notary, Mr Paul van der Bijl of NautaDutilh or any other lawyer, notary or candidate notary working with NautaDutilh, to execute the required deed of amendment.

The Chairman referred to the document explaining the proposed amendments to the articles of association, and the full text reflecting these amendments, as published on the Company's website as part of the documents for this meeting.

The Chairman mentioned that *Eumedion* had asked the Company to clarify the arrangement in the new article 22.9 in the proposed articles of association, that a general meeting of shareholders may be chaired by the CEO in the absence of the Chairman. The Chairman explained that the reason for the proposed arrangement is to provide sufficient flexibility, in light of the Board mainly being composed of members based in the US. Other public companies have similar arrangements in place. However, he added that Pharming applies the Dutch Corporate Governance Code and that, accordingly, the Vice-Chair will remain the first substitute to the Chairman for chairing the general meetings. The Chairman and the Vice-Chair will also each time be authorized to designate another director to step-in for either of them. In Pharming's opinion, there is no need to add all this to the articles of association.

No follow-up questions were raised.

The Chairman referred to his earlier statement, that proxies and voting instructions were received from all shareholders represented during the meeting. He informed all attendees that 99,93% of the votes were cast in favour of the proposal. So the proposal was adopted.

4. Appointment of two new supervisory directors

The Chairman referred to the public announcement on 20 May 2020 of the nomination of Ms. Barbara Yanni and Mr. Mark Pykett as new non-executive board members. Since that public announcement, Ms. Yanni and Mr. Pykett had both served as observers to the Board of Supervisory Directors. Accordingly, Ms. Yanni and MMr. Pykett were able to gain insight into Pharming's operations, while the Board could already benefit from their wealth of expertise.

The Chairman continued by explaining that the appointment of Ms. Yanni and Mr. Pykett will further strenghten the collective pool of expertise, experience and diversity of the Board of Directors, anticipating and endorsing Pharming's growth ambitions and the pursued dual listing.

The Chairman noted that the proposal on the agenda, by way of a binding nomination from the Board of Supervisory Directors, was to appoint Ms. Barbara Yanni and Mr. Mark Pykett as new members of the Board of Supervisory Directors with immediate effect, until the closing of the Annual General Meeting of Shareholders in 2024. Ms. Yanni will also become a member of the Audit Committee as of her appointment as non-executive director.

Thereafter, Ms. Yanni and Mr. Pykett introduced themselves.

Ms. Barbara Yanni mentioned that she had been very pleased to be working with the talented and dedicated people at Pharming as a board observer for the past several months and that she looked forward to continuing that collaboration as a board member. Her goal as a board member of Pharming is to contribute to the Company's success by applying her experience from more than 30 years in pharmaceuticals and biotechnology.

During the past several years, Ms. Yanni has served as an independent director of several biotechnology companies. Prior to that, she worked at Merck and Co., Inc. (known as MSD in Europe) in various roles in Finance and Business Development. During her last 12 years at Merck, Ms. Yanni led the group that negotiated licensing agreements, which gave her an in-depth understanding of how large and small companies can bring medicines to patients. Ms. Yanni noted that many of the issues that she worked on at Merck and at her board companies are relevant to Pharming's business as a fully operational company with current products and a pipeline of product candidates to sustain future growth.

Mr. Mark Pykett explained that he has been in biopharma for over two decades. He is currently Chief Scientific Officer at PTC Therapeutic where he leads discovery and research efforts. PTC is a US-listed public biopharma company focused on rare diseases. Before joining PTC, Mr. Pykett held a number of executive positions including President and CEO of Agilis Biotherapeutics, CEO of Navidea Biopharmaceuticals, President and COO of Alseres Pharmaceuticals, President of CyGenics, and CEO of Cytomatrix. He also served as a director of several public and private companies, as well as the not-for-profit organization HealthBuilders, which develops healthcare infrastructure in central Africa.

Mr. Pykett received his undergraduate degree from Amherst College, a VMD and PhD from the University of Pennsylvania, and an M.B.A. from Northeastern University, and completed postdoctoral fellowships at the University of Pennsylvania and Harvard University.

Mr. Pykett said to be excited to be joining Pharming at this pivotal time of its evolution.

The Chairman mentioned that *Mr Stevense*, on behalf of the foundation that he represents, had asked to explain the procedure that was followed for the selection of Ms. Yanni and Mr. Pykett. He would like to leeam whether an executive search firm was engaged and whether a prudent process was followed. The Chairman explained that a leading executive search firm was engaged by the Board of Supervisory Directors for both searches, following the adopted profiles. The searches were initiated in anticipation of the scheduled retirement of three members of the Board of Supervisory Directors in 2021 and with the objective to further strengthen the US non-executive expertise, given the strong and still growing presence of Pharming in the US. The ability to advance and support the execution of Pharming's strategy was therefore also taken into due consideration.

The selection procedure included interviews for candidates on the short list with members of both the Board of Supervisory Directors and the Board of Management to make sure that a nomination would be supported by both bodies. All members of the Board of Supervisory Directors and the Board of Management had spoken to Barbara Yanni and Mark Pykett, as the two preferred candidates, before a decision was taken on their nomination. The Chairman concluded that a highly prudent search and selection process was followed.

Mr. Stevense had also asked to elaborate on the assignment that had been given to Ms. Yanni and Mr. Pykett as observers. He would to receive feedback on their meetings with members of the Board of Supervisory Directors and the Board of Management and the external auditors. Finally, Mr. Stevense would like to hear why Ms. Yanni and Mr. Pykett are interested to join the Board of Pharming.

The Chairman explained that Ms. Yanni and Mr. Pykett had acted as observer since May to understand the board dynamics and to get familiar with Pharming, in preparation for their appointment as non-executive directors. They were not engaged for a specific assignment. In that context, they also met the auditors in the ordinary course of business.

The Chairman referred to the considerations shared by Ms. Yanni and Mr. Pykett for joining Pharming during their introduction.

No follow-up questions were raised. The Chairman informed the meeting that the proxies and voting instructions as received prior to the meeting indicate that 99,85% of the votes were cast in favour of both the proposal to appoint Ms. Barbara Yanni and the proposal to appoint Mr. Mark Pykett. Therefore, both proposals were adopted. The Chairman congratulated Ms. Yanni and Mr. Pykett on their appointment and wished them every success in their new role.

5. Remuneration

Ms. Deb Jorn, the Vice-Chair of the Board of Supervisory Directors and the Chair of the Remuneration Committee, presented the proposals as outlined under this agenda item 5, starting with the proposed new remuneration policy.

Ms. Jorn referred to the decision taken by the Board of Supervisory Directors on 20 May, 2020, to withdraw the proposed remuneration policy from the agenda for the Annual General Meeting. Several international institutional investors as well as proxy advisors had expressed concerns over the proposed policy and the Board of Supervisory Directors decided to draft a new policy, taking all feedback into due consideration. This feedback was, in summary, predominantly related to the need to ensure that all variable remuneration is fully performance-based and that the performance measures, their relative weightings and the payout limits are clearly identified.

The Remuneration Committee engaged Georgeson, as a recognized consultant, to support in drafting a new remuneration policy, that would be aligned with prevailing 'best practices' in the field of remuneration. The Remuneration Committee also engaged Radford, an international leading executive compensation consultant, for a benchmark of the remuneration levels of the board members. The Remuneration Committee and Pharming representatives also engaged with numerous parties, including proxy advisors and representatives of the interests of institutional investors, to obtain their feedback on the draft remuneration policy. Following these engagements, further changes were implemented, and all this resulted in the remuneration policy as proposed to the Extraordinary General Meeting.

Ms. Jorn noted that the Board of Supervisory Directors is pleased that ISS and Glass Lewis recognize the steps taken by Pharming and that they have recommended Pharming's shareholders to vote in favour of both the remuneration policy and the other remuneration proposals on today's agenda.

The Explanatory Notes and the draft remuneration policy itself give a detailed overview of the guiding principles on remuneration, the proposed remuneration structure for both executive and non-executive board members and the relevant parameters that will be applied. Ms. Jorn therefore only mentioned a few highlights. First of all, Ms. Jorn noted that the proposed policy has been designed to ensure that, while Pharming will continue to align itself with European best practices in the field of remuneration, the Company also preserves the urgent need to remain competitive in the important US labour market.

Ms. Joorn explained that the Company has established a major and still growing presence in the US, which currently accounts for more than 95% of sales generated. The peer group composed by Pharming includes European and US publicly traded companies engaged in the biosciences. The inclusion of US companies recognizes the importance of the US market to Pharming and the dual listing.

The proposed remuneration policy confirms that the level of total remuneration for *executive* board members will each time be aligned with the position of Pharming relative to the peer group that is relevant to the Company. Their remuneration packages will from now onwards consist of fixed remuneration, performance-based variable remuneration and other defined benefits only. Ms. Jorn noted that, in accordance with the recent benchmark, the fixed remuneration will be increased by 10% in multiple annual stages until the end of 2023, to bridge the current gap with the median.

New short-term and long-term variable remuneration components have been designed, that are fully aligned with prevailing 'best practices' and performance-based only. As a result, stock options based on continued tenure only, are no longer offered to the executive board members. Ms. Jorn referred to the policy for an outline of the performance metrics, weightings and pay-out limits. A retrospective disclosure of the performance by executive board members, against the targets adopted in preceding financial years, will be included in each annual Remuneration Report.

Ms. Jorn explained that the proposed policy will permit the offering of ordinary shares to the *non-executive* board members, as part of their remuneration packages. This is included in the policy, in view of the need to attract the required non-executive expertise, inter alia from the US. The grant of these shares will, however, not be linked to the performance of Pharming to preserve the independence of the non-executives, in line with the intentions of the Dutch Corporate Governance Code.

Ms. Jorn mentioned that *Dutch investor association VEB,* expressed in an e-mail the view that the performance measures for the Short-Term Incentive program have not been sufficiently specified in the proposed policy. The VEB would like Pharming to specify, amongst others, the performance criteria for the objectives 'Financial strategy', 'Corporate Social Responsibility', 'Effective production and supply management' and 'Operating excellence'.

Ms. Jorn explained that the Board will set each year specific targets for the performance measures as described in the proposed remuneration policy. The upfront disclosure of detailed performance measures and targets would be commercially sensitive and the Company will therefore not share these. However, in each annual Remuneration Report a retrospective disclosure of the targets, as adopted in the preceding financial year, will be included. Ms. Jorn referred to the template included in the Explanatory Notes for thhat purpose. Ms. Jorn emphasized that the approach followed by Pharming is fully consistent with prevailing 'best practices'.

Ms. Jorn mentioned that *the VEB* also noted that performance criteria for the Long-Term Incentive program, except for Total Shareholder Return, have not been specified either. Ms. Jorn referred to her earlier statement that a retrospective disclosure of the targets adopted for both the Short-Term Incentive and the Long-Term Incentive program will be included in each annual Remuneration Report.

Finally, Ms. Jorn mentioned that *the VEB* would like Pharming to include in the minutes of this meeting a statement, that the agenda does not enable shareholders to vote separately on the elements in the proposed policy for the executive and non-executive directors. The VEB is of the opinion that the grant of shares to non-executive board members constitutes a deviation of the Dutch Corporate Governance Code. Therefore, the VEB will vote against the policy. Ms. Jorn responded that the remarks will be added to the minutes, but also noted that the number of shares to be awarded to the non-executives has been fixed in the policy and the grant will not be linked to the performance of Pharming. The Board of Supervisory Directors is confident that this approach will safeguard the independence of the non-executive board members, consistent with the intentions of the Dutch Corporate Governance Code.

No follow-up questions were raised. The Chairman informed the meeting that the proxies and voting instructions as received prior to the meeting indicate that 99,28% of the votes were cast in favour of the proposal to adopt the remuneration policy for the Board of Directors. So the proposal was adopted.

Ms. Jorn continued by introducing the two separate remuneration proposals under agenda item 5.2. Ms. Jorn noted that the first proposal under *agenda item 5.2.1* relates to the approval of the new long-term incentive program for the executive board members and the authorization of the Board of Directors to give effect to that program for the next 18 months. The structure, performance metrics, weightings and payout limits are described in the remuneration policy, that was already adopted under agenda item 5.1. Ms. Jorn explained that Dutch law requires proposals for arrangements in the form of shares, or rights to subscribe for shares, also to be submitted separately for approval. Such approval will also permit the issue and grant of the related shares or rights to acquire shares, as the case may be.

As described in the adopted remuneration policy, the shares to be granted under the new long-term incentive program will only vest three years after the grant date, subject to the achievement of the targets that were set for that three-year performance period. All shares awarded will be subject to a retention period of five years as of grant, i.e. two additional years after the three year vesting.

The proposal under *agenda item 5.2.2* is related to the previous proposal, as it aims to facilitate the implementation of the new long-term incentive program, that is aligned with prevailing best practices, by mitigating its impact on existing packages. This impact relates to the new vesting scheme, that provides for vesting of shares after three years, so for the first time on 1 January 2024. The CEO, however, is contractually entitled to annual option grants, with the annual vesting of options. A one-off transition arrangement was therefore agreed with the CEO to mitigate the described impact of no vesting of equity compensation over the period 2020-2023.

Ms. Jorn explained that the one-off arrangement provides for the conversion of 8,400,000 options, that would be granted to the CEO under the previous policy over the three year period 2020-2023 and would vest in annual tranches on the basis of continued tenure with the Company. These options are converted into one grant for 2020 for a total number of up to 4,200,000 shares. These shares are permitted to vest in three annual tranches in Q1 2021, Q1 2022 and Q1 2023, subject to a waiver by the CEO of his current rights under the stock option and shares plans. In addition, the grant and vesting of these shares will be fully performance-based, using the same performance criteria that apply under the new adopted remuneration policy, but only for these shares awarded on the one-off arrangement measured on an annual basis.

The VEB had asked by e-mail to explain why Pharming has decided to select generic, broad performance measures for the program, that cannot be assessed by shareholders. Ms. Jorn referred to her answer to the earlier question on the Long-Term Incentive targets at agenda item 5.1, including the retrospective disclosure of the targets in each annual Remuneration Report.

The VEB had also raised a few questions on the one-off transition arrangement that was agreed with the CEO. First of all, the VEB would like to hear how the value of the existing package of stock options was determined for the applied conversion into shares. Ms. Jorn explained that the existing share-based remuneration for the years 2021, 2022 and 2023 would have resulted in three option grants to the CEO, with guaranteed vesting on the basis of continued tenure over the period of in total 8,400,000 options. The last approved annual option grant in 2019 of 2,800,000 options was used as basis for this valuation. In addition, the CEO would have been entitled to three annual LTIP restricted share grants of up to 30% of the base salary.

In response to the request by the VEB for an acknowledgement by Pharming that the upward potential, as a result of the one-off arrangement, is significantly higher than under the existing arrangement, Ms. Jorn emphasized that it is almost impossible to compare the new and existing packages. The existing share options plans are effectively based on tenure and therefore imply a guaranteed vesting of the granted share options. These plans also provide a long period in which the options can be held without being exercised. The new program is fully performance-based and would not vest and pay-out after the performance period, if the performance targets have not been satisfied at that moment. Moreover, the transition arrangement is a one-off arrangement only, that recognizes existing contractual rights. Finally, Ms. Jorn emphasized that the proposals on the agenda are based on recent benchmark data.

The VEB also asked why the one-off arrangement was deemed to offer an adequate compensation for the alleged increased uncertainty for the CEO regarding acttual vesting under the new program. Ms. Jorn answered that the Board of Supervisory Directors is of the opinion that the one-off transition arrangement offers an adequate compensation, as it is recognizes the existing contractual rights of the CEO, while it enables Pharming to implement the new Long-Term Incentive Program that is fully-performance based and aligned with prevailing 'best practices'.

The VEB assumes that Pharming deviates from standard practice by requiring a simple majority for the approval of the transition arrangement, instead of the treshold set at 75% of the represented share capital. Ms. Jorn explained that the transition arrangement is a *one-off* arrangement, that is linked to the implementation of the proposed Long-Term Incentive Program. It is not proposed to become part of the remuneration *policy*. Article 135 of Book 2 in the Dutch Civil Code requires a simple majority for approval of each such share-based program. In other words: Pharming is not deviating from standard practice, but is following the law for the required approval.

Finally, Ms. Jorn confirmed to the VEB that the shares awarded under the one-off transition arrangement will be eligible to participate in the new LTI program, provided that for these shares a different vesting scheme in three annual tranches, subject to the pro-rata achievement of the applicable targets, applies.

The Chairman informed the meeting that the proxies and voting instructions as received prior to the meeting indicate that 99,06% of the votes were cast in favour of the proposal under agenda item 5.2.1. So, the LTI program was approved. Moreover, 98,57% of the votes were cast in favour of the proposal for the one-off transition arrangement under agenda item 5.2.2. Therefore, the proposed transition arrangement was also approved.

6. CLOSING

The Chairman closed the meeting and thanked everybody for their attendance and support. He said to look forward to meeting everyone soon again in person, hopefully in good health.

Signed on 11 June, 2021

CHAIRMAN

SECRETARY