**MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF PHARMING GROUP N.V.**

**DATED 20 MAY 2020**

These are the minutes of the 2020 Annual 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 Company's premises in Leiden, the Netherlands, on 20 May 2020 at 14:00 CEST.

Chairman: Mr. A. de Winter (Member of the Company's Board of Supervisory Directors – hereafter referred to as "**Chairman"**)
Secretary: Mr. R. van Outersterp

## *1.* OPENING AND ANNOUNCEMENTS

Mr. De Winter opened the meeting at 14:00 CET and welcomed the attendees.

Mr. De Winter noted that, due to the corona pandemic, it would be a remarkable meeting. He noted that Pharming, as a healthcare company, gives high priority to preserving the health of shareholders and staff and that this had compelled the Board of Supervisory Directors to implement several precautionary measures. One of these measures was the unusual request to all shareholders to not attend this meeting in person, but to follow the meeting through the live webcast. The Chairman thanked the shareholders for their cooperation and understanding. For the same reason, only the CEO, Mr. Sijmen de Vries, the CMO, Mr. Bruno Giannetti, and the Chairman were present in the room together with Ms. Ingrid Buitendijk on behalf of the external auditor Deloitte, as well as the company secretary.

All members of the Board of Management, with exception of Mr. Wright, and the Board of Supervisory Directors, including the Chairman Mr. Paul Sekhri, attended the meeting online. Mr. Sekhri had asked Mr. De Winter to chair this meeting to avoid potential disruptions due to technical issues.

Earlier that day, the nomination of Ms. Barbara Yanni and Mr. Mark Pykett as proposed future new members of the Board of Supervisory Directors was announced. They were also online to follow this meeting, and the Chairman was happy to welcome them.

The Chairman noted that the meeting had been convened by means of an announcement on Pharming's website and a press release issued on April 8, 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 173 shareholders and 126.310.640 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 prior to this meeting. The Chairman informed the attendees on the procedure for follow-up questions during the meeting.

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 (20 August 2020).

Thereafter, the Chairman made a statement on behalf of the Board of Supervisory Directors. He noted that proxies and voting instructions had been received from all shareholders who are present or represented during the meeting. The Board of Supervisory Directors was said to be pleased by the overwhelming support from the Company's retail shareholders and from several institutional investors. However, the Board had also noticed the voting instructions of several foreign institutional investors following the blanket policies of certain foreign proxy advisory firms that do not recognize Pharming's unique competitive status; a Dutch company needing to be competitive in the United States. In view of this, the Board of Supervisory Directors had decided not to put proposals under agenda item 3 for a vote at today's meeting. As a result, the current remuneration policy and accordingly the existing remuneration packages will remain effective until further notice. The Board of Supervisory Directors will carefully reconsider the received feedback, preserving the urgent need to be competitive in the increasingly important US market and thus to be able to continue to underpin the continuous growth of the Company. The Chairman mentioned that an extraordinary General Meeting will be convened in due time to seek approval of the remuneration policy for the Board of Management and the Board of Supervisory Directors and the share option plan. Thereafter, the Chairman moved to agenda item 1.

## *2.* ANNUAL REPORT 2019

The Chairman explained that agenda item 2 includes several sub items and he invited the CEO, Mr. Sijmen de Vries, to address firstly, for reasons of efficiency, agenda items a), c) and d). Thereafter, agenda item b) on the remuneration report would be discussed.

## 2A) EXPLANATION OF THE BUSINESS, THE OPERATIONS AND THE RESULTS FOR THE YEAR ENDING ON 31 DECEMBER 2019

Mr de Vries referred to the public announcement on 11 March 2020 that the CFO, Mr. Robin Wright, had decided for personal reasons not to be available for a new mandate. As a result, his mandate as member of the Board of Management would expire at the closing of today's meeting. The search for a new CFO was said to be pending and further announcements will be made as soon as the Board of Supervisory Directors will decide on the nomination of a candidate. Until that moment, Mr. De Vries will be acting as CFO of the Company. Before taking the shareholders through the presentation on the annual report, Mr. De Vries pointed out the safe harbour statement which was showed on the screen.

Mr de Vries noted that, compared to last year, the Company has grown significantly. Pharming now employs more than two hundred and thirty (230) employees globally, which is a big increase compared to last year. But the current focus is still the same. Pharming is actively marketing RUCONEST®, the lead compound, a recombinant C1-esterase inhibitor for an acute attack of hereditary angioedema. Pharming has commercial operations in the USA, and also in the entire EU following the termination of the SOBI agreement at the end of last year. Partners are marketing the product in Latin America, Korea and Israel. Pharming has started clinical trials for pre-eclampsia and is about to start a trial for acute kidney injury. A very important step forward was made last year because, from being a company that out-licences its products to other parties for commercialization, Pharming became a company that is now also in-licensing compounds from other companies for commercialization. Pharming was successful in in-licensing a new late-stage product, leniolisib (from Novartis) for the treatment of APDS (Activated Phosphoinositide 3-kinase Delta Syndrome) which is an ultra-rare disease.

Mr. De Vries went through the highlights of 2019 and emphasized that Pharming is proud of the results that were achieved in 2019: it is again a profitable cashflow positive company with total revenues of EUR 169,000,000, which represents a 25% increase compared to 2018. The full year net profit was more than EUR 36,000,000, which is an increase of 45% on 2018. The 2019 sales triggered also a second milestone of $20,000,000 paid to Bausch Health Companies (formerly Valeant Pharmaceuticals International), as part of the agreement were Pharming got back the US rights to RUCONEST, which is the penultimate milestone payable.

The full year operating profit was EUR 60,900,000, which is an increase of 60% over 2018. The cash position at year-end was EUR 68,600,000, despite a milestone payment of $ 20,000,000 to Novartis for the acquisition of the rights to leniolisib. This was an increase of EUR 4,200,000 from 30 September 2019.

From an operational perspective, Pharming took the decision to take an investment into its fill & finish provider BioConnection to support its expansion and to directly increase the capacity to match the growing demand for RUCONEST® in the last phase of the manufacturing (the sterile fill and finish). In July, the start of a Phase I/II study in Pre-Eclampsia was announced, as well as the preparation of a Phase IIb study into acute kidney injury (AKI). In August, Pharming managed to get the license rights for the development of leniolisib, a late-stage development compound which is in the last stage of clinical testing for the treatment of the ultra-rare condition APDS. Last-but-not-least, Pharming agreed with SOBI in December 2019 the termination of the commercialization licensing agreement for the remaining European territories and some Middle-Eastern territories. This means that Pharming now has fully fletched commercialization operations in both the US and Europe.

Mr. De Vries also shared the year-to-date 2020 highlights with the shareholders. Pharming reported recently the first quarter results and delivered a revenue of more than EUR 49,000,000, which is an increase of 40% compared to Q1 2019. The operating profit equals EUR 19,400,000, which is an increase of 59% compared to Q1 2019. Despite significant one-off financial expenses of EUR 3,700,000 for the full pay-off of the Orimed loan, net profits increased EUR 8,400,000, 25% up compared to Q1 2019. In summary, Pharming is very positive about the first quarter results, also because there was a lot of activity going on from an operational perspective.

Mr. De Vries mentioned a few operational highlights in the first part of 2020. In January, EMA approval was received for the second starting material production site. The FDA approval followed in March. When the site will be fully on stream, presumably later on during the year, the production capacity will be doubled. A very important milestone was achieved, also in January, with the execution of a EUR 125,000,000 five-year convertible bond with a strike price of more than two euros and only 3% interest. This has a significant positive impact on the financing costs for the company. There will be no repayments until the bond has expired or is converted. The bond has an expiry date of five years, which will give the Company ample time to deliver on all the projects that it has currently in its pipeline.

In March, the Company was promoted from the Small Cap index to the Mid Cap index in Amsterdam. Unfortunately, as referred to earlier, in that same month CFO Robin Wright decided after four-and-a-half year that he would not stand for re-election at the current 2020 general meeting of shareholders.

In April 2020, the Company received European Commission approval for the treatment of acute HAE attacks in children with RUCONEST®, which reconfirmed the safety profile of RUCONEST®. It is always important to get paediatric approval as well in this context. Lastly, Pharming announced in April the encouraging results of a compassionate treatment of five COVID-19 patients with acute pneumonia. A randomized, controlled, investigator-initiated study with up to 150 patients is planned.

Mr. De Vries also highlighted the main focus areas for the Company in the field of sustainable corporate social responsibility. Pharming feels very passionate about them. The first area is patient safety while providing treatment for unmet medical needs. This is by far and foremost the most important part of Pharming's corporate social responsibility. Mr de Vries continued by referring to the code of conduct that was adopted for all internal and external dealings. Pharming is also ensuring the highest standards of animal welfare, as the animals are (like the human capital) the company's most valuable assets. Fourthly, the structural sustainability to limit the environmental impact of all operations is continuously evaluated and improved. There is a traceability of all elements of the supply chain. In pharmaceutical production, this is mandatory. Last-but-not-least, as a truly international company, Pharming has a corporate culture of diversity and inclusion promising equal opportunities for all.

Mr. De Vries moved on to another important topic. Pharming is an enterprising company, which means that it continuously not only has to look at opportunities, but also has to ensure the continuous evaluation

and management of risks. Pharming has an independent risk assessment team that on a regular basis assesses the risks of the Company along the lines as outlined on the slide shown by Mr. De Vries. The team looks at strategic risks and at various operational risks. This risk assessment is continuously updated, according to the situation where the Company is in, and the main risks are during the year reported and discussed in meetings with the Board of Supervisory Directors. For this year a new specific area of IT-related cyber security risk was added to the operational risks of the Company. Mr. De Vries referred to the Annual Report for more details.

Thereafter, Mr. De Vries took the shareholders through Pharming's business model. The Company has in its current form a profitability that is driven by the proceeds of its own sales of RUCONEST® in the US, the EU and the rest of the world. There was a fixed supply price to partners as Cytobioteck, Hyupjin, Megapharm and Swedish Orphan Biovitrum until December 31, 2019, when the European licensing agreement for RUCONEST® was terminated. In the rest of the countries, Pharming commercialized itself. The Company is pursuing expansion of territories for successful partners, and new partners for new territories. Lastly, Pharming offers RUCONEST® through the HAEi Global Access Program sales in countries where patients have no access to HAE medication. Potential increases in profitability may in the future come from further economies of scale in manufacturing processes as volumes increase. They can also be generated from future supplies from additional in-house production capacity, in addition to outsourced production sites, such as the long-term project and collaboration in the People's Republic of China.

Mr. De Vries explained that there are a number of sources for future sales growth. Compared to the information shared during last year's AGM, there was nothing to be reported for additional HAE. The focus is on business development activities. Pharming has the required expertise and networks for adding to its portfolio technologies to develop new and additional approaches to treat HAE. In the long-term, Pharming would like to be the company that actually can cure HAE. But Pharming is also working on more convenient versions of RUCONEST®. Due to the unexpected high sales levels that had to be met, the production into the development of such a new vial had to be postponed. The production capacity is now growing and the Company expects to re-start working on more convenient versions of RUCONEST® in the near future. There is also the Cattle rhC1INH for new indications. It is the same active protein, but will come from cattle. Pharming is working hard to set-up a cattle process and manufacturing process in place, also in anticipation of programs like pre-eclampsia and acute kidney injury. Pharming also wishes to investigate if RUCONEST® could be efficacious against COVID-19, following encouraging results from a five patient compassionate use experiment by Prof. Osthoff in Basel last month. In the long-term, also for such an indication, the product could be sourced from cattle C1 inhibitor, which means that there would in the long term be a virtually unlimited supply of C1 inhibitor for markets and for all those indications.

With regard to the protein replacement therapy for Pompe, Mr De Vries noted that Pharming keeps moving forward. Pharming is exploring other programs for protein replacement therapies that have not yet been disclosed. Pharming has also become a company that is in-licensing other people's late-stage assets to leverage the commercialization apparatus. Mr De Vries mentioned leniolisib, which is in-licensed from Novartis, as an example.

Mr. De Vries continued his presentation by reference to the highly competitive market for HAE. There are long development cycles, which set high hurdles for new entries. HAE is a very complicated disease and at this point in time, Pharming still has a very unique position in this market. It has the only recombinant human version of the missing protein in the disease, but unfortunately not the most convenient product at present. There is work in progress on more convenient versions, but some more patience is needed. New competitors' products which are launched and expected (including oral prophylaxis) should provide an opportunity to treat more breakthrough attacks with RUCONEST®. Treating breakthrough attacks with RUCONEST® was a market segment that was, until the new prophylaxis therapies came on stream into the market, never accessible for RUCONEST®. Now it has become accessible for RUCONEST®. Pharming beliefs that this new segment of treating breakthrough attacks has additional promise for the future commercial opportunity for RUCONEST®.

The European Commission approval for the treatment of acute HAE attacks in children, further confirms the safety profile of RUCONEST®. Last but not least, RUCONEST® supply is not dependent on blood collection centres. And additionally, the recent EMA and FDA approval of new starting material site doubles production capacity for both the EU and US market.

Mr. De Vries explained that for the new indications for C1-esterase inhibitor competition is limited, as there are currently few therapies and none of them have been approved. The indications are either fatal or can result in chronic intensive care or in palliative care; in some cases for more than one patient (for instance mother and child in pre-eclampsia). As there are much larger patient numbers than in HAE for most of these indications, the need to have a cattle bioreactor system in place is high. Pharming is working hard to remove the uncertainty on the preferred way to use the C1-esterase mechanism to improve the outcomes for patients. The recent COVID-19 compassionate use program is a very good example of that. The good news is that these indications, once successful, may provide a new patented state on the use of C1- esterase inhibitor and would give Pharming higher market exclusivity. It's impossible for plasma-derived C1-esterase inhibitor to supply any of these bigger markets because of the nature and the volume of C1-esterase inhibitor that would be necessary to satisfy such markets.

A new part of the business model where Pharming has been successful, is leveraging the commercial infrastructure, as proven by the successful in-licensing of a new late-stage compound leniolisib. APDS is a very recent disease (activated PI3K delta syndrome). It is a primary immune deficiency caused by an autosomal dominant gene mutation. This disease is treated by the same doctors that are dealing with HAE. So, it would be a promising start for the in-licensing of compounds. The disease is caused by an increased activity of PI3Kδ. It is ultra-rare. It has an estimated prevalence of only one to two per million. So, it is even much rarer than HAE. But in screening a subset of these primary immune deficiency patients, which are one out of 125,000, rates are found between 1%-9% of patients being infected with this without them knowing because it is all about genetic testing. There could be a lot more of these patients available than one to two per million than currently estimated. The commercially available genetic test could assist to detect these patients. At this point in time, there is no treatment for APDS. There are only symptomatic treatments and very heavy immune globulin replacement therapy to try to give these patients a half decent quality of life, as today patients have to spend a shortened lifespan for most of the time in hospitals. The leniolisib compound treats the root cause of APDS. It is an orally bioavailable tablet or capsule. In the initial clinical trials, a direct pharmacokinetics and pharmacodynamics relationship was observed. The compound is currently in a registration-enabling pivotal study that is run by Novartis. Pharming is supporting Novartis to run this trial. If it is approved, the drug is expected to reach the market in mid-2022.

Mr. De Vries moved on to competition in new programs for the treatment of Pompe and Fabry diseases. All existing therapies have issues with immunogenicity and carry box warnings. Patients on these indications often become regularly refractory on current therapies (the decrease of efficacy by antibody formation). If the new protein is proven to be less immunogenic, potentially a larger patient pool will be available than those that are currently being treated. Pharming will have exclusivity from newly patented products.

Mr De Vries concluded his summary of the business model by stating that Pharming is confident to have a sustainable business model for the long term and has started to diversify the Company away from being dependent on one indication and one product, as Pharming is developing the C1-esterase inhibitor franchise. The company has also been successful in in-licensing the first compound in 2019.

Mr. De Vries moved to the financial information and the outlook for 2020. He took the shareholders quickly through the numbers as they all had been published. As said before, in 2019 strong increases of revenues – of about 25% – were seen. The gross profit went up very nicely and the operation result went up even faster than that, indicating that the Company could still further leverage on the commercial infrastructure as a result of more sales. The net result went up by 45% to EUR 36,200,000, compared to EUR 25,000,000 in 2018. Despite the significant amounts spent on milestones and on in-licensing and on down-paying the Orbimed loan, Pharming still managed to more or less conserve its cash during the year. This means that the business threw off a lot of positive cashflow, so that Pharming could do

the financing. The management is very pleased to see that, during the year, the earnings per share went up by more than 40%.
Mr. De Vries shared a view slides, including a slide outlining the revenues by quarter. The overview indicated a fairly consistent result since the beginning of 2017, when Pharming took first control of RUCONEST® in the United States. Overall, a consistent growth pattern is visible on the revenues per quarter that the Company has been generating.

The gross profits per quarter are following more or less the same pattern. Mr. De Vries also showed the operating results by quarter, which again show the same pattern. It also shows a pattern of strongly being able to leverage the commercialization infrastructure. Pharming has been profitable on an operating level in every quarter since the beginning of taking control over its product in the United States. The net results per quarter give a slightly different picture. In 2017, Pharming was still heavily affected by the expensive financial instruments it had to deploy to get the rights to RUCONEST® back from Valeant, causing significant losses in Q4 2017. Pharming recovered and never looked back. Since Q4 2017 delivered quarter by quarter positive net results, which is also the guidance for this year. Despite the on-off payment on the Orbimed loan, the Q1 2020 operating results are higher than in the first quarter of 2019. Mr De Vries concluded his overview by stating that Pharming is very pleased with these quarterly results.

Mr De Vries also presented a slide summarizing the COVID-19 impact, in line with the information disclosed in the Q1 2020 press release. Pharming is complying with international guidance and requirements across its operations to prioritize the health and safety of its employees. The offices are closed and the employees are working from home. That will remain the way of working, until the Company can start gradually opening offices in accordance with national regulations. Mr De Vries mentioned that there is no impact of COVID-19 on the upscaling of production of RUCONEST®. The Company's new facility significantly increases the production capacity of the therapy for HAE patients globally. In addition, with the C1 inhibitor in RUCONEST® being plasma-free, the production of this product doesn't rely on plasma collection centres. There is no impact expected on the availability or distribution of RUCONEST® to HAE patients, who typically self-treat their attacks at home in the US and in certain EU countries. As everywhere in the industry, recruitment of new patients in ongoing clinical trials has been halted. Patients already incorporated in clinical trials, will continue to receive treatment.

As a result of halting recruitment, timelines for the pre-eclampsia and acute kidney injuries are expected to incur delays, subject to the return of recruitment of new patients. In due time, Pharming will update the market on that. Despite all this, no delay is currently expected in the planned launch date of leniolisib in H2 2022, as the completion date of the ongoing registration enabling study is currently not critical for the planned launch date. So far, Pharming has not incurred any delays. An investigator-sponsored multi-centre randomised controlled clinical trial in patients with confirmed COVID-19 infection is being prepared and expected to start in the near future. The Company will provide an update when the first patient is being treated in this trial.

That brought Mr. De Vries to the outlook for 2020. For 2020, Pharming expects, compared to 2019, continued growth in revenues from sales. These are mainly driven by the US and expanded European operations. Pharming also expects to maintain positive net earnings during the year. Investments in the expansion of production of RUCONEST® are continued in order to ensure continuity of supply in the growing markets of the US, Europe, China and the rest of the world. Pharming also continues to invest in the ongoing clinical trials for pre-eclampsia and acute kidney injury (once recruitment has started again) and in the support for investigators wishing to explore additional indications for RUCONEST®, such as the planned study in patients confirmed with COVID-19 infections.

There are also investments in the continuing registration-enabling study for leniolisib for APDS, leading to headline data early in 2021. Pharming will be more precise when it gets more information on returning recruitments. The investments in IND enabling studies for α-glucosidase in Pompe disease and preclinical development of the new recombinant α-galactosidase candidate for Fabry's disease will continue. Investments will be made in other new development opportunities and assets as these occur.

Pharming will also increase marketing activities where this can be profit-enhancing for the Company. All teams and marketing partners will be supported in order to enable the maximisation of the potential of RUCONEST® for patients, as Pharming continues to believe that RUCONEST® represents an effective, reliable and safe therapy to treat acute angioedema attacks in patients with HAE. Last-but-not-least, Pharming continues monitoring of the ongoing COVID-19 pandemic and the potential impact on its business.

Thereafter, Mr. De Vries moved on to agenda item c) on the Corporate Governance Code.

**2C) CORPORATE GOVERNANCE CODE. (DISCUSSION ITEM)**

Mr. De Vries explained that Pharming each year reports how the Company has applied the Dutch Corporate Governance Code both in the Annual Report and a in detailed annual corporate governance statement on its website.

In 2019, Pharming moved one existing deviation from the Code because the share option plan approved by the General Meeting in 2019 requires the current members of the Board of Management not to exercise any share options within three years of the date of grant. This requirement is fully in line with the Dutch Corporate Governance Code and is also included in the proposed option plan that was on the agenda for this meeting. As announced earlier, the updated plan will be submitted again to a General Meeting in a later point in time.

A relevant deviation of the Corporate Governance Code that remained relates to the remuneration policy for the Board of Supervisory Directors that includes an equity plan in order for Pharming to remain competitive with US standards and to attract additional US Board members.

Due to the modest size of the Company and the important role of its internal quality assurance department, Pharming has not created a separate position for an internal auditor so far. The Audit Committee reconsiders the need for an internal auditor annually. In the corporate governance statement on the website, shareholders will find more details on Pharming's corporate governance.

**2D) EXPLANATION OF THE DIVIDEND POLICY. (DISCUSSION ITEM)**

Mr. De Vries announced that the Board of Management, with the approval of the Board of Supervisory Directors, will transfer the net profits of the year 2019 to the accumulated deficits. The Company adheres to the existing dividend policy and does accordingly not have any plans to pay dividends in the foreseeable future.

The Chairman thanked Mr De Vries for his presentation and decided to proceed with the questions that had been received by email from shareholders on the items addressed by Mr. De Vries. These shareholders were invited to use the installed Lumi AGM app in case of follow-up questions.

The Chairman started with a couple of questions from the *Dutch Association of Retail Investors (VEB)* with regard to the Annual Report and asked Mr. De Vries to answer these. With regard to the first question to elaborate on the expected price development for RUCONEST® in the US until the patent expires, Mr. De Vries responded that Pharming has never provided an answer to that question because that would be competitive, sensitive information as the US market is a free pricing market.

In response to the question raised by the *VEB* whether Pharming sees opportunities for significant price increases for RUCONEST® outside the US, especially in Europe, Mr. De Vries explained that there is no free pricing in Europe. RUCONEST® is put in a reimbursement class/ cluster within reference pricing systems. That is where the price has been set by the 1980's introduced plasma products. That goes for all the HAE products. So, RUCONEST® and other HAE products are on fixed prices. Therefore, according to Mr. De Vries no significant price increase is expected for any of the HAE products.

Mr. De Vries stated to doubt the relevancy of the question from the *VEB* about the expected drop in sales of RUCONEST®, especially in the US, as data exclusivity would be the main driver in this

context. For RUCONEST® on all indications, and actually for all C1 inhibitors, this data exclusivity expires in 2026. A new recombinant version of C1 inhibitor would have to be developed. Pharming is not aware of companies working on that already. Until such time, such companies cannot refer to the Pharming data. After that time, they could theoretically refer to the data if they succeed in making a similar protein as what Pharming does, which is unlikely because that protein comes from the unique rabbit platform. Therefore, it is mere speculation to predict the impact of the expiration of the current data exclusivity. It is not a typical small molecule where generic entries will immediately come into the market and drop the prices significantly. That is in essence the attractiveness of biologicals, and especially of biologicals using a unique bioreactor system that Pharming has.

The Chairman went to the next question from the *VEB* to elaborate on whether a favourable development in a more patient-friendly administration of RUCONEST® could provide additional turnover and to elaborate also on the question raised by *Mr. Deen* to explain the meaning of convenient and patient friendly use. Mr. De Vries clarified that convenient is for instance the use of a concentrated vial for RUCONEST® that Pharming is working on, where there is a much lower volume to be injected. That could be potentially used in intermuscular injections rather than in IV-injections. An IV-injection is not painful, but it takes preparation time. Pharming is also working on finding any needle-free technology. The latter would bring potential for a significant increase in additional turnover as a result of that. But this is all early-stage research and it is still a while away.

Mr. De Vries added that the intermuscular injection is a formulation that Pharming has ready. But the validation of the manufacturing process needs to be done. That can be started as soon as there is sufficient excess RUCONEST® produced to be able to funnel those numbers of vials necessary to provide the regulators with proof that the manufacturing process delivers the same product. That could be sooner than more high-tech things like needle-free technology which is much further on the horizon.

In response to the question raised by *Mr. Deen* whether the price of RUCONEST® will remain the same for other indications, Mr. De Vries explained that for the same indication in Europe the price cannot change. Pharming is not able to comment for the US.

The *VEB* asked whether Pharming expects RUCONEST® to gain or lose market share in the US in the next five years. Mr. De Vries answered that at this point in time, Pharming expects that it will continue to gain market share in the US over the coming five years.

The next question from the *VEB* was introduced by reference to the earlier statements on the opportunities for RUCONEST® as a preventative. In the meantime, the attention seems to be more focused on RUCONEST® as an acute safety net if competing preventative agents do not work sufficiently. It was asked whether Pharming considers RUCONEST® chances as a preventative less optimistic as before. Mr. De Vries answered that the market has moved on from the prophylaxis treatments with initially slow IV-injection like RUCONEST® to an antibody injection which is used twice a month and is subcutaneous. In other words, that market of prophylaxis has moved on to be a much more convenience driven market. RUCONEST® with an IV-injection cannot compete at this point in time. However, if Pharming succeeds in developing needle-free technology, the position may be very different.

On the other hand, the opportunity of being used as a breakthrough therapy for those patients who are still having breakthrough attacks under the new prophylaxis treatments appeared as a very attractive opportunity that was not there before. That is because still more than half of the patients suffer from breakthrough attacks. They were always treated in a different way than with RUCONEST®. In other words: the change of the mode of action of prophylaxis treatment has given RUCONEST® an unexpected opportunity. RUCONEST® therefore is a way to offer them a safe and an effective back-stop for their breakthrough attacks. For the current and foreseeable future, it is expected to be one of the drivers of RUCONEST® growth.

The Chairman noted the few questions received about life after RUCONEST®, inter alia from the *VEB*. Mr. De Vries referred to the business model that he had presented earlier during the meeting. Pharming

has been successful in getting an in-license for a compound in phase three and is very optimistic that it will be able to close more deals on late-stage compounds to leverage the commercialisation infrastructure in both the EU and US. That's one of the pivotal areas that the business development team looks into. In addition Pharming is also looking into new technologies for HAE, which could also be earlier stage. Mr. De Vries noted that it is never possible to comment on anything regarding to business development until the deal has taken place.

Another question raised by the *VEB* related to the minimum operational cashflow that Pharming wishes to keep after the planned investments. Mr. De Vries explained that Pharming aims to finance itself in a conservative manner. There will always be a fine line and a delicate balance between the kind of risks Pharming would like to engage itself and the kind of buffers it would like to have. Pharming has the intention to remain rather conservative and to keep buffers to have at least some protection given the uncertainties related to the industry that it is in.

The Chairman raised another question of the *VEB* about the statement in the Annual Report (page 21) in the context of Eurasia regarding the delivery of product to the distribution partners at a cost price for historical reasons and the reasons for offering the product at a loss, especially in a time when Pharming itself had serious financial problems. Mr. De Vries explained that when he arrived in the Company, the deal had to be struck because Pharming needed a partner. The deal with SOBI was struck in 2009. The expectations were then that RUCONEST® would be able to get a higher price in Europe than it got in the end. The supply prices were set at a certain percentage of the net sales, which is the usual way in which licensing agreements are set. Pharming found itself in a combination of very low volumes sold by SOBI at that point in time, and the price being only half of what SOBI was expecting to get in the market. Pharming all of a sudden had to deliver the product for a lower price than the costs of goods, but it helped to keep the manufacturing going and to let the Company survive. Since December 31 2019, Pharming no longer has to supply the product below cost price, as Pharming is now selling directly into those European markets. However, the profitability of the European markets, because of the fix to 1980 products in the reference pricing systems, is very low and can never sustain a healthy pharmaceutical company.

In response to the question from *Mr. Westers* on the chances of resuming the Delayed Graft Function phase IIa study and the AKI trial, Mr. De Vries explained that due to COVID-19, all clinical trials in the industry have been suspended. Pharming will resume the trials as and when the pandemic eases in the various centres. It can be highly variable, depending on the geographical location of those centres. It is very difficult to say when a study like the Delayed Graft Function phase IIa study in Wisconsin will start again.

There were also a couple of questions about Sinopharm from *Mr. Vos* and *Mr. Wester*. Mr. De Vries explained that Sinopharm is building a facility to produce RUCONEST®, that will provide the possibility for Sinopharm to sell its own RUCONEST® in China. Pharming will receive royalties out of that. Sinopharm cannot deliver RUCONEST® or the milk or any other part of the production process to anybody else given the exclusive agreement entered into by Sinopharm with Pharming.

There was also a question from *Mr. Vos* whether Sinopharm could in the future supply potential generic products with RUCONEST®. Mr. De Vries explained that is would not be possible because of the exclusive agreement with Pharming. Back in the days, the idea was to spread the manufacturing risk and to enhance the production capacity. This idea is still very valid today. It is expected that the facility of Sinopharm will be delivering RUCONEST® at a lower cost of goods than Pharming can make in its own factory. In other words: the agreement with Sinopharm offers an additional manufacturing facility, ensures that the manufacturing risk is spread and that there will be more supply volume for RUCONEST®. Sinopharm sells RUCONEST® at a margin to Pharming. They can also earn money on selling RUCONEST® in the people's republic of China and in other Chinese territories. Pharming benefits from the partnership by reducing the manufacturing costs and risks. At the moment, the factory is focused on rabbits.

The Chairman mentioned that *Mr. Westers* had raised questions about the rest of the world, including sales and claw-backs in France. Mr. De Vries clarified that some European countries have put in place a system of claw-backs for rare diseases. A significant percentage has to be paid back; sometimes up to 90% of the sales if the company exceeds a predetermined treshold. At some moment in time, the French government asked Pharming to provide RUCONEST® because there was a shortage of blood derived product. In the end they tried to send a bill for 90% of the proceeds. Pharming does not agree with this position and is in discussion with the French government because this is deemed an unfair treatment.

In response to the question raised by *Mr. Westers* on the production capacity for the COVID-19 trial, Mr. De Vries mentioned that the second rabbit farm has been approved and that Pharming currently expects to have sufficient RUCONEST® products available for this one hundred and fifty (150) patients' trial. Pharming expects to start the randomized controlled clinical trial with one hundred and fifty (150) patients in the near future.

The Chairman referred to the question raised by *Mr. Vos* on the cattle platform. Mr. De Vries elaborated that Pharming is still working on a herd of cows. When the herd of cows provides milk and the milk has been tested, Pharming will go back to the market to confirm that it has tested milk which contains the compound that has been expected.

The Chairman also noted the question from *Mr. Vos* whether the stocks of RUCONEST® are booked at cost price, at US or EU price, or at an average price. Mr De Vries answered that the stocks are booked at the costs of what has been invested so far in the manufacturing. The initial stage of the milk product has a lower value than the finished product because less value has been invested at that time.

As no follow-up questions appeared on his screen, the Chairman went on with the remuneration report. He gave the floor to his colleague Deb Jorn, in her capacity as Chair of the Remuneration Committee.

**2B) REMUNERATION REPORT FOR 2019. (AVISORY VOTING ITEM)**

Ms. Jorn noted that, as in previous years, the remuneration report for 2019, that can be found on pages seventy-seven (77) to ninety-three (93) of the 2019 Annual Report, outlines the implementation of the remuneration policy for members of the Board of Management and the Board of Supervisory Directors over the past financial year. In addition, the remuneration report summarizes the guiding principles for the remuneration structure and provides a preview of the remuneration policy for the coming years.

On December 1, 2019, the second European Shareholder Rights directive was implemented in the Netherlands. The remuneration report has been aligned as much as possible with the new statutory requirements. Accordingly, the report is from now onwards also submitted to the shareholders for an advisory vote to verify whether the contents meet their expectations. Ms. Jorn said to assume that the shareholders had an opportunity to read the remuneration report. Therefore, she would just highlight a few of the items.

As noted in the remuneration report, Pharming operates on a global basis in a highly competitive marketplace. The Company has established a major and growing presence in the US, which currently accounts for more than ninety-five percent (95%) of sales generated. The Company's remuneration structure has therefore been designed to ensure that it remains well positioned to attract, motivate and retain the top talent that Pharming needs to be successful, which means that Pharming not only has to be competitive in the local markets within the European Union, but especially in the critical US market. Attracting and retaining top talent, will support Pharming's efforts to create long-term value and to ensure sustainable growth in line with the strategy. This is in the best interest of the Company, its shareholders, and all the other stakeholders.

For the members of the Board of Management, part of the remuneration is linked to the individual performance against a set of financial and non-financial targets that have been adopted by the Supervisory Board of Directors upon the recommendation of the Remuneration Committee. Risk considerations are also embedded in setting the targets, to promote sound and effective risk management and to discourage risk taking that exceeds the level of tolerated risks.

Each year, the level of achievement of the objectives, is determined by the Board of Supervisory Directors on the basis of an assessment and a recommendation by the Remuneration Committee. In addition, the Remuneration Committee considers the salary ratios within the Company and how these compare with the peer group companies. The relevant peer group company is a mix of Dutch and US based medium sized listed biotech business. For 2019, as explained on page sixty-eight (68) of the Annual Report, the pay ratio between the mean compensation of the members of the Board of Management and the mean compensation of the employees, was five-point-four (5.4) to one. This ratio seems appropriate.

The Remuneration Committee is reluctant to disclose detailed information regarding the targets that were set for members of the Board of Management for the upcoming year, given the highly competitive business environment in which the Company operates. However, page sixty-eight (68) of the Annual Report provides a detailed overview of the activities aimed at executing Pharming's strategy. The strategy is focussed on improving treatment options for patients with live-altering conditions. Hence, the individual annual targets fully support these activities and sustain growth of the Company.

Moreover, on the pages sixty-seven (67) and sixty-eight (68) of the Annual Report, the committee reports on the accomplishments of the Board of Management in 2019, in comparison to the targets agreed upon. In summary, the 2019 targets included elements to promote commercial and financial growth, cash balance, risk management, research progress, clinical trial progression, corporate development, and shareholder value. All the points are considered to be more or less of equal importance. The Supervisory Board of Directors endorsed the Remuneration Committee's conclusion that the Board of Management achieved, and in several areas exceeded, the agreed upon targets for 2019. On that basis, the Board of Supervisory Directors followed the recommendation to apply for the 2019 bonus a pay-out percentage of one hundred and two percent (102%) of the target for all members of the Board of Management, payable in cash. Ms. Jorn noted that the remuneration report erroneously refers to one hundred and two percent (102%) of the maximum bonus. This statement should have read one hundred and two percent (102%) of the agreed target. She apologized for the confusion.

Ms. Jorn continued by mentioning that the Board of Supervisory Directors followed the Remuneration Committee's recommendation to gradually increase the base salary of the members of the Board of Management, commencing on the first of January 2020. This step takes into account their individual performance and, over the coming years, is aimed to bridge the gap with the peer group, as independent benchmark analysis showed that the base salaries of the Board of Management were on average twenty percent (20%) below the median of the relevant benchmarks. This increase is part of the remuneration policy that had been submitted for adoption under agenda item 3a but this agenda item was withdrawn.

In 2019, the Remuneration Committee conducted an independent benchmark analysis of US peers to assess the compensation of the Board of Supervisory Directors in view of forming significant growth in the US and required expertise to effectively supervise activities in this complex market. This benchmark analysis indicated that the compensation of the Supervisory Directors is well below the twenty-fifth ($25^{th}$) percentile in terms of both cash and equity grants. Given the Board's call to strengthen the Board with additional US expertise as underpinned by a press release issued earlier that morning, the Remuneration Committee recommended the Board of Supervisory Directors to adjust the remuneration in order to also remain competitive with US standards. Accordingly, an equity-based plan is recommended to be part of the remuneration for members of the Board of Supervisory Directors.

In 2019, members of the Supervisory Board of Directors participated in the long-term incentive plan, the so called LTIP. From 2020 onwards, so called restricted shares were proposed to be awarded. A proposal to such a fact was on the agenda of this meeting under item 3c, but also for this proposal Ms. Jorn referred to the earlier announcement that this was withdrawn and will be submitted at a later moment in time, during an extraordinary General Meeting. Ms. Jorn thanked the shareholders for their attention and was happy to address questions.

The Chairman referred to the question that had been received from the *VEB* (the Dutch retail investors association) on the pay-out of more than the maximal bonus for 2019, i.e. one hundred and two percent

(102%). The VEB asked what the real theoretical maximum for such bonus is. Ms. Jorn answered that the remuneration report erroneously refers to one hundred and two percent (102%) of maximum bonus and that it should read "one hundred and two percent (102%) of the agreed targets for 2019". Ms. Jorn added that there is no theoretical maximum on the pay-out. The pay-out amount is each year determined, based upon an assessment of actual performance against the agreed targets. The Board of Supervisory Directors determines such an amount, based on the recommendation of the Remuneration Committee.

As there were no follow-up questions, the Chairman suggested to proceed with the voting results on the remuneration report for the financial year 2019. In accordance with the European Shareholder Rights Directive as implemented in Dutch law, the shareholders were asked to cast an advisory note. If they voted for, they were deemed to appreciate and to be positive about the remuneration report. But if they voted against, the report would not meet their expectations. The advisory vote will not be binding, but the Board of Supervisory Directors will explain in next year's remuneration report how the vote of the General Meeting was taken into account.

The Chairman noted that the Board of Supervisory Directors proposed to the General Meeting to give a positive advice on the 2019 remuneration report. Prior to the meeting, the Board had received proxies and voting instructions from all shareholders present and represented in this meeting. Seventy-three-point-seven-nine percent (73.79%) of the votes were cast in favour of the proposal. So, the proposal to give a positive advice was adopted. The Chairman moved on to the next agenda item, which is 2e.

**2E) PROPOSAL TO ADOPT THE FINANCIAL STATEMENTS (VOTING ITEM)**

The Chairman noted that the financial statements can be found on the pages one hundred and two (102) up to and including one hundred and ninety (190) of the Annual Report. The financial statements had been audited by the external auditor Deloitte Accountants B.V. in accordance with the assignment given by the General Meeting on May 22, 2019. Deloitte issued an unqualified auditor's report for the financial statements 2019, that can be found on the pages one hundred and eighty-two (182) up to and including one hundred and eighty-nine (189) of the Annual Report.

The Chairman invited Ms. Buitendijk, partner of Deloitte, to present the highlights and the main findings that followed from the audit by Deloitte.
Ms. Buitendijk explained that 2019 was the first year that Deloitte audited the financial statements of Pharming, as Deloitte took over the audit from PwC last year due to rotation requirements. She provided the shareholders with an overview of the audit procedures and the results. Deloitte audited the consolidated financial statements, including the company only financial statements in accordance with EU IFRS and part nine, book two of the Dutch Civil Code. Deloitte issued an unqualified auditor's opinion on March 29, 2020. The independent auditor's report includes, besides the opinion, also the scope of the audit, the materiality level and the key audit matters. In respect of the report of the Board of Management, Deloitte verified consistency with the financial statements. Deloitte verified the compliance with the requirements of part nine, book two of the Dutch Civil Code. And Deloitte also verified compliance with the Dutch standard seven hundred and twenty (720) and the Dutch Corporate Governance Code.

In terms of communication with the Board of Supervisory Directors, Deloitte issued and discussed the audit plan during the year and delivered a management letter to communicate the internal control observations and management recommendations. Deloitte also issued its report on the audit of the 2019 financial statements which was shared with the Board of Supervisory Directors in March 2020 and summarized the audit, the results, and the observations.

The materiality level was determined at EUR 880,000, as a percentage of profit before tax from continuing operations. The reporting threshold to the Board of Supervisory Directors amounted to EUR 44,000. The procedures were performed on all relevant components and the overall audit coverage achieved was in line with the planned coverage and results in a coverage of 100% of sales and 98% of total assets.

Ms. Buitendijk continued with the key audit matters. As described in the independent auditor's report the key audit matters are those matters that in the auditor's professional judgement were most significant in the audit of the financial statements. For the 2019 audit, Deloitte determined the following key audit matters: the first year's audit; the recognition of revenues realized in the US; and the valuation and capitalization of intangible assets.

The Chairman – in his capacity as chairman of the Audit Committee - responded to the first question from the *VEB* with regard to the internal auditor. The VEB asked how the Audit Committee ensures its supervisory financial role without having to rely on the CFO or CEO. By way of clarification the VEB had added that Pharming decided that there is no need for an internal auditor as the organisation is quite small. The VEB deemed this decision understandable although a small organisation does not always mean that internal controls are simple. The Chairman referred to page seventy-one (71) of the Annual Report, where is stated that the specific internal audit function has not yet been created, but that the assessment and testing of the risk management and control systems are covered by the Chief Financial Officer, the Quality Assurance department and Deloitte as the external accountant. The Audit Committee has (apart from the Audit Committee meetings) regular informal meetings with management, but also with the Finance Department and the Compliance Department. Furthermore, the Audit Committee is in close contact with the external auditors who attend all Audit Committee meetings. The auditor's management letter is a standard agenda item for the Audit Committee and the follow-up thereto is closely monitored by the Audit Committee.

The Chairman asked Ms. Buitendijk to answer the question from the *VEB* on how the external auditor Deloitte fills the gap that would normally be filled by an internal auditor. Ms. Buitendijk referred to the statement in the auditor's opinion on the key audit matters, which reads: "Our focus was on gaining an initial understanding of the company, its processes, and its business, including the control environment and information systems in such a way that it was sufficient to determine the risks and to develop the audit approach and plan." Ms. Buitendijk added that an auditor performs his or her work with respect to the internal controls solely for the purpose of expressing an auditor's opinion on the financial statements as a whole.

As there were no further questions on his screen, the Chairman went on with the voting on the proposal to adopt the financial statements. Also for this proposal proxies and voting instructions had been received from all shareholders present or represented in this meeting. One hundred percent (100%) of the votes were cast in favour of the proposal. So, the proposal was adopted.

On behalf of the entire Board of Supervisory Directors, the Chairman thanked the Board of Management and all employees of Pharming for their dedication. He congratulated them on the results achieved over the year 2019. The next topic was agenda item 2f.

**2F) PROPOSAL TO DISCHARGE THE MEMBERS OF THE BOARD OF MANAGEMENT FOR THEIR RESPONSIBILITIES. (VOTING ITEM)**

The Chairman proposed to discharge the members of the Board of Management, with reference to the proposal on the agenda. The Chairman noted that the scope of the discharge extends to the exercise of the respective duties as members of the Board of Management during the financial year 2019, insofar as these duties are reflected in the annual report, in the financial statements or in other public disclosures and statements during the General Meeting.

No questions had been received on this agenda item. Therefore, the Chairman immediately proceeded with the voting on the proposal as included in agenda item 2f, to discharge each member of the Board of Management from liabilities, in respect of the exercise of their duties in 2019. Based on the proxies and voting instructions as received prior to the meeting, 99.85% of the votes were cast in favour of the proposal. So, the proposal was adopted.

## 2G) PROPOSAL TO DISCHARGE THE MEMBERS OF THE BOARD OF SUPERVISORY DIRECTORS FOR THEIR RESPONSIBILITIES. (VOTING ITEM)

The Chairman proposed to discharge the members of the Board of Supervisory Directors for the exercise of their duties in 2019 with reference to the proposal on the agenda. The Chairman noted that the scope of the discharge extends to the exercise of the respective duties as members of the Board of Supervisory Directors during the financial year 2019, insofar as these duties are reflected in the annual report, in the financial statements or in other public disclosures and statements during the General Meeting.

No questions had been received on this agenda item. Therefore, the Chairman immediately proceeded with the voting on the proposal as included in agenda item 2g, to discharge each member of the Board of Supervisory Directors from liabilities, in respect of the exercise of their duties in 2019. Based on the proxies and voting instructions as received prior to the meeting, 99.85% of the votes were cast in favour of the proposal. So, the proposal was adopted.

The Chairman continued with the next item. That should be the agenda item on the remuneration proposals, but this agenda item was withdrawn in its entirety.

## *3.* REMUNERATION

Although this agenda item was withdrawn, the Chairman mentioned that a question had been received from the *VEB* during the meeting on the reasons for withdrawing this agenda item. The Chairman noted that this question was not a follow-up question, but a new question. He repeated the earlier statement that was made at the opening of the meeting and added to see no reason to elaborate on this.

## *4.* PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION (VOTING ITEM)

The Chairman referred to the proposal on the agenda to increase the authorised capital of Pharming by 10% to EUR 8,800,000, or 880,000,000 shares with a nominal value of one eurocent each. The proposal was made by the Board of Management with the approval of the Board of Supervisory Directors in consideration of the currently issued capital of EUR 6,337,260 consisting of 633,726,014 shares of one eurocent each, in view of Pharming's existing contractual obligations and to facilitate the further growth of the Company. The Chairman also referred to the proposal on the agenda to amend the articles of association of the Company by implementing the requirements imposed by the revised European Union Shareholder Rights Directive (SRD II) as transposed into Dutch law.

Finally, it was proposed to authorize each civil law notary, candidate civil law notary, and lawyer working with NautaDutilh to execute the deed of amendment to implement the aforementioned amendments. On this agenda item no questions from shareholders were received before the meeting.

The Chairman proceeded with the voting results on the proposal under agenda item 4 to amend the articles of association and to authorise NautaDutilh as explained in the documents of this meeting. Based on the proxies and voting instructions as received prior to the meeting, 99.85% of the votes were cast in favour of the proposal. So, the proposal was adopted.

The Chairman went to agenda item 5.

## *5.* APPOINTMENT OF THE EXTERNAL AUDITOR OF THE COMPANY (VOTING ITEM)

The Chairman referred to the proposal on the agenda to appoint Deloitte Accountants B.V to examine Pharming's annual report and the financial statements for the financial year 2020, to report to the Board of Supervisory Directors and the Board of Management, and to issue an auditor's statement. The Chairman noted that Deloitte Accountants was first appointed as external accountant during the General Meeting in 2019. The Board of Supervisory Directors has evaluated the performance by Deloitte Accountants on their duties in the past year and has reached a positive conclusion on their reappointment for the financial year 2020.

Before the meeting, no questions had been received on this agenda item. The Chairman moved on to the voting results. Based on the proxies and voting instructions as received prior to the meeting, 98,99% of the votes were cast in favour of the proposal. So, the proposal was adopted.

The Chairman went to agenda item 6.

### *6.* DESIGNATION OF BOARD OF MANAGEMENT (VOTING ITEM)

The Chairman explained, with reference to the proposal on the agenda, that the Board of Management is the Company's body to authorize to (i) issue shares, (ii) grant rights to acquire rights and (iii) to limit or exclude pre-emptive rights. Under agenda item 6 it was proposed to designate the Board of Management as of the day of the meeting (20 May 2020) for a period ending on July 20, 2021, as the corporate body that is authorised, subject to approval of the Board of Supervisory Directors, to issue shares, grant rights to acquired shares, and to restrict or exclude pre-emptive rights. This authorization replaces the current authorization as granted by the General Meeting of shareholders on May 22, 2019.

The Chairman noted that, without prejudice to the grants of shares under the remuneration policy and share options plans, the proposed authorization of the Board of Management will be limited to ten percent (10%) of the issued share capital as per moment of the resolution of the Board of Management to issue shares and/or to grant rights to acquire shares.

The Chairman mentioned that prior to this meeting no questions from shareholders were received on this agenda item. This brought the Chairman to the voting results on the proposal under agenda item 6 as explained by him and further described on the agenda for this meeting. Looking at all proxies and voting instructions as received prior to the meeting, ninety-nine-point-nine percent (99.9%) of the votes were cast in favour of the proposal. So, the proposal was adopted.

### *7.* AUTHORISATION OF THE BOM TO REPURCHASE SHARES IN THE COMPANY (VOTING ITEM)

The Chairman introduced, with reference to the agenda, the proposal to authorize the Board of Management as of the day of the meeting (20 May 2020) for a period ending on 20 July 2021 to repurchase, subject to the approval of the Board of Supervisory Directors, up to ten percent (10%) of the issued capital of the Company.

Before the meeting no questions from shareholders had been received on this agenda item. Therefore, the Chairman moved on to the voting results on the proposal under agenda item 7 as explained by him and further described on the agenda for this meeting.

Based on the proxies and voting instructions as received prior to the meeting, 98.42% of the votes were cast in favour of the proposal. So, the proposal was adopted.

The Chairman came to agenda item 8.

### *8.* ANY OTHER BUSINESS

The Chairman had received no further questions. He gave the floor to Mr De Vries for a few remarks.

Mr. De Vries said that, as this meeting was about to be closed, the term of his colleague Robin Wright (the CFO) was also drawing to an end. Mr Wright was not able to attend this meeting, but Mr. De Vries felt that it would be appropriate to address a few words to him. For four years and a half, Mr. Wright and Mr. De Vries worked very hard together to get a number of very important deals sorted out which led to the reacquisition of the US commercialization rights for RUCONEST®. This was instrumental in turning the Company around from what was a chronic loss-making operation into a profitable enterprise. Mr. De Vries said that it was probably the most complex deal that they had ever seen as four different financial instruments had to be implemented to get this deal done. It was a calculated risk and they succeeded. Subsequently Mr. Wright was instrumental in restructuring the financing structure that had to be put in place by getting a loan from Orbimed, which was a next step in the financial evaluation. Again, they succeeded in getting it done. Mr. Wright played an instrumental role in that. Last but not least, at the

beginning of this year, the financial position was restructured with the closing of the EUR 125,000,000 five-year convertible bond.

Mr. De Vries concluded by extending his great thanks to Mr. Wright for his hard work during his term with the Company, on behalf of all employees, his colleague Bruno Giannetti and all members of the Board of Supervisory Directors. He wished him very well towards the future.

## *9.* CLOSING

The Chairman closed the meeting and thanked everybody both in the room and online for their time and presence. He said to look forward to meeting everyone again in person, hopefully in good health.