

# Transaction Committee Charter of

Pharming Group N.V.

**Effective date: 09DEC2022**

## INTRODUCTION

### Article 1. Introduction

- 1.1** This charter, together with the relevant provisions of the Board Rules, govern the organization, decision-making and other internal matters of the Committee. In performing their duties, the Committee Members shall comply with this charter and the relevant provisions of the Board Rules.

### Article 2. Definitions and Interpretation

- 2.1** Unless otherwise defined in this charter, capitalized terms shall have the meanings ascribed to them in the Board Rules.
- 2.2** Without prejudice to Article 2.1, the following definitions shall apply in this charter:
- **Article:** an article of this charter;
  - **Board:** the Company's board of directors;
  - **Board Rules:** the internal rules of the Board;
  - **Committee:** the Company's Transaction Committee;
  - **Committee Chairperson:** the chairperson of the Committee;
  - **Committee Member:** a member of the Committee;
  - **Company:** Pharming Group N.V.;
  - **Executive Director:** the executive member of the Board;
  - **Non-Executive Director:** a non-executive member of the Board;
  - **Transaction:** any transaction initiated, explored, pursued, contracted and/or executed by Pharming, or any of its subsidiaries, for either the acquisition, transfer or sale of business assets and/or the entering into, or termination as the case may be, of a long-lasting alliance with a third party with significant importance to Pharming, including, without limitation, the procurement, sale, inlicensing or outlicensing of business assets and a merger or acquisition of another company.
- 2.3** Terms that are defined in the singular have a corresponding meaning in the plural.
- 2.4** Words denoting a gender include each other gender.
- 2.5** Except as otherwise required by law, the terms "written" and "in writing" include the use of electronic means of communication.

## CHAPTER I. COMMITTEE CHARTER

### Article 3. Composition

- 3.1** The Committee consists of at least three members, all Non-Executive Directors only.
- 3.2** The Committee Members shall be appointed and dismissed by the Board.
- 3.3** All Committee Members shall be independent within the meaning of NASDAQ Rule 5605(a)(2), except as permitted by the applicable NASDAQ Rules.
- 3.4** The Committee shall elect a Committee Member to be the Committee Chairperson. The Committee may dismiss the Committee Chairperson, provided that the Committee Member so

dismissed shall subsequently continue his/her term of office as a Committee Member without having the title of Committee Chairperson.

## Article 4. Duties and Organization

**4.1** The Committee is charged with, and shall be able to present recommendations to the Board and, if applicable or if delegated pursuant to a Board resolution to that effect, to pass resolutions relating to, the following matters:

- i.** to review and assess the business case, including the valuation and analysis of any potential Transaction, assessing the fit of that potential Transaction with the Company's strategy and the main risks and mitigating actions, based on a recommendation and with reference to relevant documents as submitted by the Executive Director;
- ii.** to review the potential structure, or potential structures as the case may be, for a Transaction, assessing inter alia the main risks for the Company and the mitigating actions, as proposed by the Executive Director;
- iii.** if applicable, to review and approve a draft non-binding Letter of Intent or Memorandum of Understanding, or any similar draft document of a non-binding nature, as proposed by the Executive Director to start the due diligence process for exploring a potential Transaction, including approval of the issuance of that document to the relevant target company;
- iv.** to review and assess the outcome of the due diligence process for any Transaction to identify the main risks for the Company, with reference to a comprehensive due diligence report, and, if applicable, other supporting material, submitted by the Executive Director;
- v.** to review the proposed terms and conditions for any Transaction and to assess the main residual risks for the Company, including, each time to the extent applicable, the terms and conditions included in a draft merger agreement, inlicensing agreement or outlicensing agreement;
- vi.** to review any proposal submitted by the Executive Director either to enter into and execute a Transaction, or to withdraw from any contemplated Transaction, as the case may be;
- vii.** other tasks and duties as allocated or delegated by the Board.

**4.2** The Committee Chairperson is required to update the Board as soon as reasonably required on all material matters discussed and, if applicable, decided by the Committee regarding any Transaction, and to share with the Board all Transaction-related information available to the Committee Members as will required by all Board members for the proper performance of their duties.

**4.3** Meetings of the Committee shall be convened by the Committee Chairperson or, in his absence, any other Committee Member for any of the purposes as set out in article 2.1. Meetings can also be held using video- or audio-communication facilities, unless one of the Committee Members objects thereto.

**4.4** If applicable, resolutions of the Committee may, instead of at a Committee meeting, be passed in writing, provided that all Committee Members are familiar with the resolution to be passed and none of them objects to this decision-making process.

**4.5** Each meeting shall be presided over by the Committee Chairperson and, in the absence of the

Committee Chairperson, one of the other Committee Members shall be designated as the acting chair of the meeting.

- 4.6** The Committee may delegate all or part of its authority to subcommittees or to the Committee Chairperson.
- 4.7** At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation. The Committee shall also review and assess the adequacy of this charter at least annually and recommend any proposed changes to the Board.

## **CHAPTER II. OTHER PROVISIONS**

### **Article 5. Amendments and Deviations**

Pursuant to a resolution to that effect, the Board may amend or supplement this charter and allow temporary deviations from this charter, subject to ongoing compliance with applicable law and stock exchange requirements.

### **Article 6. Governing law and Jurisdiction**

This charter shall be governed by and shall be construed in accordance with the laws of the Netherlands. Any dispute arising in connection with this charter shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam, the Netherlands.