

Faron Pharmaceuticals Ltd (2068285-4)

MINUTES 2/2023

UNOFFICIAL TRANSLATION

FARON PHARMACEUTICALS LTD'S EXTRAORDINARY GENERAL MEETING

Time	Friday 22 September 2023 at 9:00 a.m. EEST (Finnish time)
Place	BioCity building, meeting room "Ministeri" Tykistökatu 6, FI-20520 Turku, Finland
Present	The shareholders set out in the list of votes (<u>Appendix 1</u>) adopted at the meeting were represented or present at the meeting.
Also present	Member of the Board of Directors (the " Board ") and CEO Markku Jalkanen was present. In addition, other members of the Company's management and other technical personnel were present.

1 §

Opening of the meeting

Markku Jalkanen, member of the Board and CEO, opened the meeting and welcomed all shareholders to the meeting.

2 §

Calling the meeting to order

The General Meeting elected Riikka Rannikko, Attorney at Law, as Chairman, who called Vesa Karvonen, General Counsel of the Company, to act as secretary.

The Chairman presented the practical arrangements and proceedings related to the meeting, as well as the course of procedure.

It was noted that the meeting will be held in Finnish.

It was noted that certain nominee-registered shareholders (including depositary interest holders) and other shareholders who had been registered in the shareholders' register on the record date had given voting instructions to their representatives and requested that the voting instructions are recorded in the minutes.

The Chairman of the meeting had been notified of the voting instructions in advance. According to the voting instructions, shareholders will not call for voting in such agenda items where the instruction is to oppose the proposal or

to abstain from voting and recording in the minutes in the relevant agenda item is sufficient.

The voting instructions were attached to the minutes (Appendix 2).

It was noted that opposing votes included in the voting instructions received shall be recorded in the minutes in the relevant agenda item. To the extent the voting instructions contain opposing votes without a counterproposal on such agenda item that cannot be opposed without presenting a counterproposal, such votes shall not be formally taken into account as votes opposing the proposal and shall not be recorded in the minutes.

It was noted that these shareholders were represented at the meeting by Vesa Karvonen, Anni Laukkanen and Mira Hoffström. The Chairman went through the voting instructions received and confirmed that the procedure described above was acceptable.

It was noted that if the meeting votes on a matter, voting instructions would not automatically be taken into account. Representatives of the shareholders who had given voting instructions would have to participate in the vote in order to implement the voting instructions received.

3 §

Election of persons to scrutinise the minutes and to supervise the counting of votes

Kaisa Kytä and Ilkka Saura were elected to scrutinise the minutes and to supervise the counting of the votes in the General Meeting.

4 §

Recording the legality of the meeting

It was noted that according to the Articles of Association, the Notice of the General Meeting shall be published on the Company's website and through a regulatory information service approved by the London Stock Exchange for the distribution of public announcements not earlier than two months before the record date of the meeting, and no later than three weeks prior to the date of the meeting but, however, always at least nine days prior to the record date for the meeting.

It was noted that the Notice of the General Meeting had been published on the Company's website and through a regulatory information service for the distribution of public announcements on 1 September 2023. It was noted that the documents required pursuant to the Finnish Companies Act in relation to the meeting had been available to shareholders on the Company's website at the latest as of 1 September 2023. The Company's announcement on 8 September 2023 was also noted.

It was noted that the General Meeting had been summoned in accordance with the Articles of Association and the Finnish Companies Act, and that the meeting was legally convened and had a quorum.

The Notice of the General Meeting and the agenda were attached to the minutes (Appendices 3 and 4).

5 §

Recording the attendance at the meeting and adoption of the list of votes

A list of attendees at the beginning of the meeting and the list of votes (Appendix 1) were presented. According to the list, 37 shareholders, either in person or through a legal representative or proxy representative, were represented in the meeting. It was recorded that 23,254,198 shares and votes were represented at the beginning of the meeting, constituting approximately 35.1 per cent of all shares and votes in the Company. The list of votes was available in the meeting.

It was noted that the list of votes would be confirmed to correspond to the attendance at the beginning of any voting.

The list of votes was adopted.

6 §

Resolution on the number of members of the Board

It was noted that the Board had proposed, on the basis of the proposal of the nomination committee, that the number of the members of the Board would be resolved to be seven (7).

The General Meeting resolved that the number of the members of the Board be (and remain) seven (7) in accordance with the proposal of the Board.

It was recorded that in this agenda item the number of opposing votes of the shareholders that had given voting instructions was 3,916.

7 §

Election of new members of the Board

It was noted that the following seven persons had been elected as Board members at the Annual General Meeting of the Company held on 24 March 2023 for a term ending at the close of the next Annual General Meeting: Frank Armstrong, Markku Jalkanen, Erik Ostrowski, John Poulos, Tuomo Pätsi Leopoldo Zambelletti and Anne Whitaker. Of these Board members, Leopoldo Zambelletti and Anne Whitaker had previously during the year 2023 informed the Board of their resignations. Therefore, there are two vacant appointments on the Board.

It was further noted that the Board had proposed, on the basis of the proposal of the nomination committee, that Christine Roth and Marie-Louise Fjällskog be elected as new members to the Board for a term that ends at the close of the next Annual General Meeting.

Board member and CEO Markku Jalkanen presented the background of Christine Roth and Marie-Louise Fjällskog who had been proposed to be elected as new members to the Board. It was noted that Christine Roth and Marie-Louise Fjällskog were unable to attend the meeting.

The General Meeting resolved to elect Christine Roth and Marie-Louise Fjällskog as new members of the Board in accordance with the proposal of the Board and confirmed that the composition of the Board would hence be the following: Frank Armstrong (Chair), Marie-Louise Fjällskog, Markku Jalkanen, Erik Ostrowski, John Poulos, Tuomo Pätsi and Christine Roth.

8 §

Resolution on the amendment of the Option Plan 2015

It was noted that the Extraordinary General Meeting of the Company had on 15 September 2015 adopted the terms and conditions of an option programme which has later been amended by the decisions of the Company's Annual General Meetings held on 16 May 2017, 18 May 2020 and 23 April 2021 (the "**Option Plan 2015**"). The subscription period for shares based on options is currently scheduled to end on 30 September 2023.

It was noted that the Board had proposed that the Extraordinary General Meeting resolves to amend the terms and conditions of the Option Plan 2015 so that the subscription period for shares based on the options is extended by two (2) years, i.e., until 30 September 2025. For the sake of clarity, it was noted that the proposal applies to all options under the Option Plan 2015 (A options, B options, C options and D options). The Board deemed that the proposed amendment would enhance the usability of the options and thereby significantly increase the desired benefits of the incentivisation system for the management and personnel of the Company.

The terms and conditions of the option programme would remain otherwise unchanged. The consolidated rules of the Option Plan 2015, incorporating the amendments proposed herein, had been available on the Company's website and were also available at the meeting.

The proposal of the Board in its entirety and the consolidated rules of the Option Plan 2015 incorporating the amendments proposed herein were attached to the minutes (Appendices 5 and 6).

The General Meeting resolved on the amendment of the Option Plan 2015 in accordance with the proposal of the Board.

It was recorded that in this agenda item the number of opposing votes of the shareholders that had given voting instructions was 2,580,100. The number of shares that cast no votes, i.e. abstained, was 2,935,296.

9 §

Closing of the meeting

It was recorded that the resolutions in the General Meeting had been made without voting.

The Chairman stated that all issues included in the meeting agenda had been concluded and that the minutes of the General Meeting would be available on the Company's website as well as at the Company's head office as of 6 October 2023 at the latest.

The Chairman closed the meeting at 9:40 a.m. EEST (Finnish time).

[Signatures on the following page]

In Fidem

RIIKKA RANNIKKO

Riikka Rannikko
Chairman

VESA KARVONEN

Vesa Karvonen
Secretary

Reviewed and confirmed

KAISA KYTTÄ

Kaisa Kyttä
Scrutiniser of the minutes

ILKKA SAURA

Ilkka Saura
Scrutiniser of the minutes

Appendices

1. List of shareholders present or represented in the General Meeting
2. Voting instructions provided in advance
3. Notice of the General Meeting and release
4. Agenda
5. Proposal of the Board on the amendment of the Option Plan 2015
6. The consolidated rules of the Option Plan 2015 incorporating the amendments proposed