

FARON PHARMACEUTICALS LTD'S EXTRAORDINARY GENERAL MEETING

Time	Thursday 7 July 2022 at 9:00 a.m. (EEST)
Place	Radisson Blu Marina Palace Hotel, meeting room "Meri", Linnankatu 32, 20100 Turku, Finland
Present	Shareholders were present at the meeting, in person or represented by proxy, in accordance with the list of votes adopted at the meeting (Appendix 1).
Also present	The Company's CEO and member of the Board of Directors Markku Jalkanen was present at the meeting. In addition, other members of the management of the Company and persons acting as meeting officers were present.

1 §

Opening of the meeting

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

2 §

Calling the meeting to order

The Extraordinary General Meeting elected attorney-at-law Riikka Rannikko as Chairman of the Extraordinary General Meeting, who asked Kaisa Kytta, the Company's Corporate Counsel, 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.

3 §

Election of a person to scrutinize the minutes and to supervise the counting of votes

Toni Hänninen was elected to scrutinize the minutes and, if necessary, to supervise the counting of the votes in the Extraordinary General Meeting.

4 §

Recording the legality of the meeting

It was noted that, according to the Articles of Association, the notice of the Extraordinary General Meeting shall be announced on the Company's website and through a regulatory information service approved by the London Stock Exchange 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 Extraordinary General Meeting had been published on the Company's website and through the regulatory information service on 16 June 2022. It was noted that the documents required to be made available to shareholders pursuant to the Finnish Limited Liability Companies Act in relation to the meeting had been available to shareholders on the Company's website at the latest as of 16 June 2022.

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

The notice of the Extraordinary General Meeting, the agenda, the Company's Annual Report 2021 including the financial statements, the Report of the Board of Directors and the Auditor's Report, and the statement by the Board of Directors on events after the preparation of the financial statements with a material effect on the Company were attached to the minutes (Appendices 2 – 5).

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, 19 shareholders, either personally or through a legal representative or by proxy, participated in the meeting. It was recorded that 16,386,695 shares and votes were represented at the beginning of the meeting, constituting approximately 29.65 per cent of all issued and outstanding shares and votes in the Company. The list of votes was available at the meeting.

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

Additionally, it was noted that certain holders of nominee-registered shares had been registered to the Extraordinary General Meeting after the expiration of the registration period and therefore these said shareholders are not deemed participants in the Extraordinary General Meeting. The Company had received voting instructions from said shareholders indicating 40,820 votes for the proposal of the Board in agenda item 6, and 676,107 votes abstaining from voting. It was noted that for the sake of good order these voting instructions will be recorded as an unofficial note in agenda item 6.

The list of votes was confirmed.

6 §

Authorising the Board of Directors to decide on the issuance of shares, options or other special rights entitling to shares

In accordance with the proposal made to the Extraordinary General Meeting by the Board of Directors, it was resolved to authorise the Board of Directors to resolve by one or several decisions on issuances of shares, options or other special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Limited Liability Companies Act, which authorisation contains the right to issue new shares or dispose of the Company's own shares in the possession of the Company. The authorisation consists of up to eleven million (11,000,000) new shares in the aggregate (including shares to be received

based on options or other special rights), which corresponded to approximately twenty (20) per cent of the existing shares and votes in the Company at the time of the proposal, as well as the conveyance of up to the same maximum number (eleven million (11,000,000)) of treasury shares in the possession of the Company.

In practise, the above authorisation includes that the Board may first resolve on one or several share issues (up to the maximum number of eleven million (11,000,000) new shares) without consideration to the Company itself and then further convey such treasury shares (up to the maximum number of eleven million (11,000,000) shares) against consideration.

The authorisation does not exclude the Board's right to decide on the issuance of shares, options or other special rights entitling to shares in deviation from the shareholders' pre-emptive rights. The authorisation shall be used for material arrangements from the Company's point of view, such as financing (including, without limitation, issuance of warrants under the funding agreement with IPF Partners announced on 28 February 2022) or implementing business arrangements, investments or for other such purposes determined by the Board in which case a weighty financial reason for issuing shares, options or other special rights entitling to shares, and possibly deviating from the shareholders' pre-emptive rights, would exist.

For the sake of clarity, it is noted that in no circumstances can the total number of new shares to be registered under this authorisation exceed eleven million (11,000,000) new shares in aggregate.

The Board is authorised to resolve on all other terms and conditions of the issuance of shares, options or other special rights entitling to shares.

The authorisation is effective until 30 June 2023.

It was noted for the sake of good order that the Board's proposal in agenda item 6 was supported by over 3/4 of the total shares and votes represented in the agenda item, taking into consideration the voting instructions delivered after the expiration of the registration period, as recorded in agenda item 5.

7 § Closing of the meeting

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

The Chairman stated that all matters included in the meeting agenda had been concluded and that the minutes of the Extraordinary General Meeting would be available on the Company's website as well as at the Company's head office as of 21 July 2022 at the latest.

The Chairman closed the meeting at 9:12 a.m. (EEST).

[Signature page to follow]

In Fidem

RIIKKA RANNIKKO

Riikka Rannikko
Chairman

KAISA KYTTÄ

Kaisa Kyttä
Secretary

Reviewed and confirmed

TONI HÄNNINEN

Toni Hänninen
Examiner of the minutes

Appendices

1. List of attendees and the list of votes
2. Notice of the Extraordinary General Meeting
3. Agenda of the Extraordinary General Meeting
4. The Company's Annual Report 2021
5. The statement by the Board of Directors on events after the preparation of the financial statements with a material effect on the Company