

NOTICE OF FARON PHARMACEUTICALS LTD'S EXTRAORDINARY GENERAL MEETING

Shareholders of Faron Pharmaceuticals Ltd (the “**Company**”) are notified of the Extraordinary General Meeting to be held on September 22, 2023 at 9:00 a.m. EEST (Finnish time) at BioCity, meeting room “Ministeri” at Tykistökatu 6, FI-20520 Turku, Finland. The registration of attendees and the distribution of voting slips will commence at the meeting venue at 8:30 a.m. EEST (Finnish time).

The Board of Directors of the Company (the “**Board**”) has resolved to convene the Extraordinary General Meeting to resolve on the election of new members of the Board and to resolve on the amendment of the Company’s Option Plan 2015.

A. MATTERS ON THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING

- 1. Opening of the meeting**
- 2. Calling the meeting to order**
- 3. Election of persons to scrutinise the minutes and to supervise the counting of votes**
- 4. Recording the legality of the meeting**
- 5. Recording the attendance at the meeting and adoption of the list of votes**
- 6. Resolution on the number of members of the Board**

The Board proposes, based on the proposal of the nomination committee, that the number of the members of the Board would be resolved to be seven (7).

7. Election of new members of the Board

The Board proposes, based on 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.

Christine Roth, citizen of the United States, currently serves as an Executive Vice President for Bayer Pharmaceuticals’ Global Oncology Business Unit and a member of the board of directors of Vividion Therapeutics. She is independent of the Company and its significant shareholders.

Marie-Louise Fjällskog, a citizen of Sweden and the United States, currently serves as Faron Pharmaceuticals Ltd’s Chief Medical Officer. She is non-independent of the Company, but she is independent of its significant shareholders.

Christine Roth and Marie-Louise Fjällskog have given their consent for the election. A description of both Board member candidate is available on the Company’s website at <https://www.faron.com/investors/general-meetings>.

8. Resolution on the amendment of the Option Plan 2015

The Company's Extraordinary General Meeting has on September 15, 2015 adopted the terms and conditions of an option programme which have later been amended by the decisions of the Company's Annual General Meetings held on May 16, 2017, May 18, 2020 and April 23, 2021 (the "**Option Plan 2015**"). The subscription period for shares based on options is currently scheduled to end on September 30, 2023. The Board proposes that the EGM 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 September 30, 2025. For the sake of clarity, it is noted that the proposal applies to all options under the Option Plan 2015 (A options, B options, C options and D options). The Board deems that the proposed amendment will 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 consolidated terms and conditions of the Option Plan 2015, incorporating the amendments proposed herein, are attached hereto.

9. Closing of the meeting

B. DOCUMENTS OF THE EXTRAORDINARY GENERAL MEETING

The above-mentioned proposals to the Extraordinary General Meeting, the Company's Annual Report 2022 including the financial statements, the Report of the Board of Directors and the Auditor's Report, the Company's Half-Year Financial Results January 1 – June 30, 2023, the statement by the Board of Directors on events after the preparation of the half-year financial results with a material effect on the Company and this notice are available on the Company's website at <https://www.faron.com/> as of the date of publication of this notice. The Board's proposals and the other above-mentioned documents will also be available at the Extraordinary General Meeting. Copies of these documents will be sent to shareholders upon request. The minutes of the Extraordinary General Meeting will be available on the Company's website from October 6, 2023 at the latest.

C. INSTRUCTIONS FOR THE PARTICIPANTS

1. The right to participate and registration

Each shareholder who on the record date of the Extraordinary General Meeting, being September 12, 2023, is registered in the Company's shareholders register held by Euroclear Finland Oy has the right to participate in the Extraordinary General Meeting. A shareholder whose shares are registered on their personal Finnish book-entry account is registered in the Company's shareholders register. If you do not have a Finnish book-entry account, see section C3 "*Holder of nominee-registered shares (including depositary interest holders)*".

A shareholder who is registered in the Company's shareholders register and who wants to participate in the Extraordinary General Meeting should register for the meeting by no later than 10:00 a.m. EEST (Finnish time) on Tuesday, September 19, 2023 by giving a prior notice of participation:

- by email to general.meeting@faron.com or
- by mail to Faron Pharmaceuticals Ltd, attn. Kaisa Kytta, Joukahaisenkatu 6, FI-20520 Turku, Finland.

When registering, a shareholder shall state their name, personal identification number / business identity code, address, telephone number and the name of a possible proxy representative, legal representative or assistant and the personal identification number of the proxy representative or legal representative. The personal data

given by shareholders to the Company are used only in connection with the Extraordinary General Meeting and the necessary processing of related registrations.

Shareholders, and their authorised representatives or proxy representatives should, when necessary, be able to prove their identity and/or right of representation.

2. Proxy representative and powers of attorney

Shareholders may participate in the Extraordinary General Meeting and exercise their rights at the meeting by way of proxy representation. A proxy representative must present a dated power of attorney or other reliable proof of their authority to represent the shareholder.

A shareholder may participate in the Extraordinary General Meeting by means of several proxy representatives, who represent the shareholder with shares held on different book-entry accounts. In such case, the shares represented by each proxy representative shall be identified when registering for the Extraordinary General Meeting.

Possible proxy documents should be sent by email to general.meeting@faron.com and in originals to Faron Pharmaceuticals Ltd, attn. Kaisa Kyttä, Joukahaisenkatu 6, FI-20520 Turku, Finland before the end of registration period.

3. Holder of nominee-registered shares (including depositary interest holders)

A holder of nominee-registered shares (including depositary interest holders) has the right to participate in the Extraordinary General Meeting by virtue of such shares based on which the holder would be entitled to be registered in the Company's shareholders register held by Euroclear Finland Oy on the Extraordinary General Meeting's record date of September 12, 2023.

Additionally, participation requires that the holder of nominee-registered shares is temporarily registered in the Company's shareholders' register held by Euroclear Finland Oy by 10:00 a.m. EEST (Finnish time) on Tuesday, September 19, 2023. Temporary registration in the shareholders register shall be deemed to be a registration for the Extraordinary General Meeting.

Holders of nominee-registered shares are advised to request the necessary instructions regarding the temporary registration in the shareholders register, the issuing of proxy documents and registration for the General Meeting from their custodian bank without delay. A holder of nominee-registered shares shall note that custodian banks may apply deadlines for the registration and the providing of voting instructions of holders of nominee-registered shares. The account management organisation of the custodian bank shall notify a holder of nominee-registered shares who wants to participate in the Extraordinary General Meeting to be temporarily entered into the Company's shareholders register by the above-mentioned time.

4. Other instructions and information

Pursuant to Chapter 5, Section 25 of the Finnish Limited Liability Companies Act, shareholders who are present at the Extraordinary General Meeting are entitled to request information regarding the matters addressed by the meeting.

On the date of this notice, 1 September 2023, the total number of shares and votes in the Company is 66 246 522 of which 85 149 shares are pending registration.

The Extraordinary General Meeting shall be held in Finnish, partially translated into in English.



Turku, September 1, 2023

FARON PHARMACEUTICALS LTD

Board of Directors