Pharming®

Rare disease breakthroughs aren't just discovered, they're created together.

Annual Report 2025

Victoria living with HAE

Contents

Mia living with APDS

About this report

ESEF filing

This copy of the Pharming Group N.V. Annual Report 2025 is not in the ESEF format as specified by the European Commission in the Regulatory Technical Standard on ESEF (Regulation (EU) 2019/815). The Annual Report 2025 ESEF filing is available in the financial documents section on our corporate website.

Forward-looking statements

This 2025 Annual Report of Pharming Group N.V. and its subsidiaries ("Pharming", "the Company" or "the Group") may contain forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in these statements.
These forward-looking statements are identified by their use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "milestones", "objectives", "outlook", "plan", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. Examples of forward-looking statements may include statements with respect to timing and progress of Pharming's preclinical studies and clinical trials of its product candidates, Pharming's clinical and commercial prospects, and Pharming's expectations regarding its projected working capital requirements and cash resources, which statements are subject to a number of risks, uncertainties and assumptions, including, but not limited to the scope, progress and expansion of Pharming's clinical trials and ramifications for the cost thereof; and clinical, scientific, regulatory, commercial, competitive and technical developments.

In light of these risks and uncertainties, and other risks and uncertainties that are described in Pharming's 2025 Annual Report and the Annual Report on Form 20-F for the year ended December 31, 2025, filed with the U.S. Securities and Exchange Commission, the events and circumstances discussed in such forward-looking statements may not occur, and Pharming's actual results could differ materially and adversely from those anticipated or implied thereby. All forward-looking statements contained in this Annual Report are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Any forward-looking statements speak only as of the date of this Annual Report and are based on information available to Pharming as of the date of this Annual Report. Pharming does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information.

Directors report 2025 within the meaning of section 2:391 of the Dutch Civil Code

The following sections of this Annual Report form the directors report within the meaning of section 2:391 of the Dutch Civil Code: At a Glance, Strategic Business Review, Risk Management and Corporate Governance.

Image disclaimer

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Victoria living with HAE

Rare disease should not mean years without answers

For more than a decade, Victoria lived with severe, unpredictable swelling attacks without clarity. Misdiagnosis led to unnecessary treatments and repeated emergency interventions.

The uncertainty of when an attack might occur shaped her daily life — making it difficult to plan ahead, maintain work, or fully enjoy time with family and friends. Each unexpected swell carried not only physical impact, but also concern for those around her.

Her journey reflects a broader reality in rare disease care — where limited awareness and delayed diagnosis can prolong uncertainty and risk. Earlier recognition and access to appropriate therapy can change the course of a life.

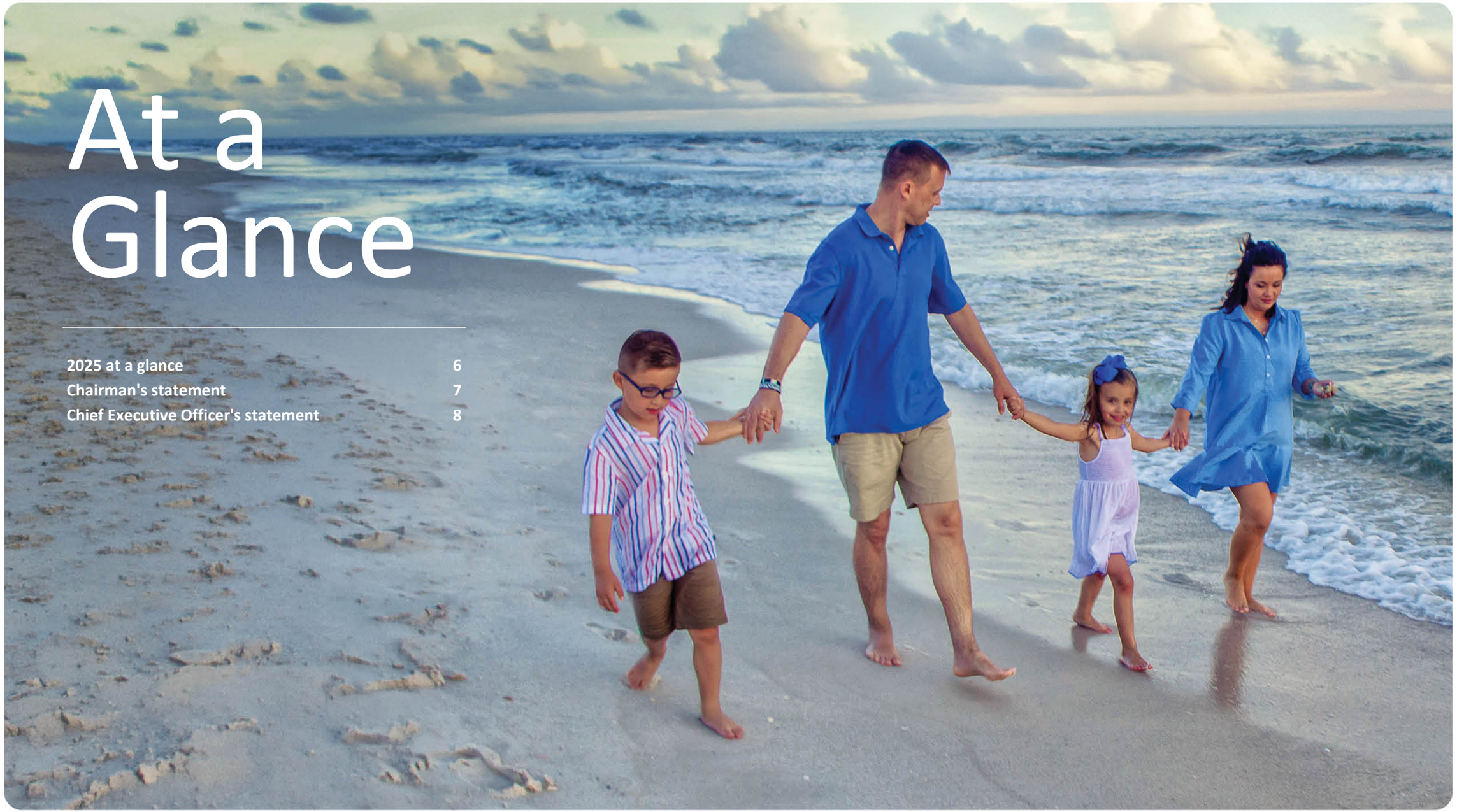
“It's no longer the hopelessness that you feel when you don’t know what is wrong or how to make things better.”

Victoria, Living with HAE

More than 15 years

to an accurate diagnosis for Victoria

At a Glance



Elliot living with APDS, with her family

2025 at a glance

In US$ millions

Financial information

Total revenues

376.1

2024: **297.2** ▲ 27%

Overall cash and marketable securities

181.1

2024: **169.4** ▲ 7%

RUCONEST® revenues

317.9

2024: **252.2** ▲26%

Joenja® revenues

58.2

2024: **45.0** ▲ 29%

Strategic milestones

March

Abliva AB acquisition completed, adds **napazimone (KL1333)** for primary mitochondrial diseases

Australia TGA approval of Joenja® for APDS (12+)

First patient dosed in **Phase II study for leniolisib in CVID with immune dysregulation**

April

Positive NICE recommendation & launched **Joenja®** for APDS (12+) **in the U.K. (England and Wales)**

Wave 2 of recruitment started in pivotal FALCON study for **napazimone (KL1333) in PMD**

September

Promoted to the **Euronext AMX® index**

October

US FDA Acceptance & Priority Review of leniolisib sNDA for APDS (4-11 years)

December

Scottish Medicines Consortium (SMC) issued its **ultra-orphan assessment for Joenja®**

Chairman's statement

A strong year in a shifting landscape

2025 was a year of continued progress for Pharming, shaped by both strong execution and a changing external environment. Momentum in rare disease innovation continues to build, the treatment landscape in hereditary angioedema (HAE) is evolving, and regulatory and policy frameworks remain dynamic. Against this backdrop, Pharming has strengthened its commercial foundation while advancing a focused, high-value pipeline.

Sharpening focus through disciplined choices

The Board and I worked closely with Fabrice and the executive team to ensure that Pharming remains focused on the opportunities that matter most. This has involved clear choices about where to invest and how to align the organization with the next phase of its development.

Some decisions have been difficult. Actions taken during the year to better align the organization with its strategic priorities have had a real impact on colleagues, and the Board and I have been mindful of this throughout. At the same time, these steps are necessary to build a more focused and resilient company that is better positioned to serve patients and deliver sustainable growth.

What stands out is how the organization has responded. The resilience, commitment and sense of purpose shown across Pharming’s teams were evident throughout the year.

Competing with clarity and confidence

This increased focus is bringing greater clarity to how Pharming competes and grows. We are well positioned to navigate an increasingly competitive and dynamic rare disease landscape, with a differentiated commercial foundation that supports continued investment in a focused, high-value pipeline, including two Phase II studies in broader primary immunodeficiencies with immune dysregulation and a pivotal study in primary mitochondrial disease.

The broader operating environment also continues to evolve, particularly in the United States, our most important commercial market. Changes in policy, pricing and access frameworks require careful navigation. The Board and I are encouraged by the way the Company has responded, maintaining a clear focus on delivering innovation while supporting patient access and keeping sight of its long-term priorities.

Looking ahead

Pharming enters its next phase with strong foundations in place, clearer priorities and increasing momentum. We have strengthened our leadership team with the addition of a new CEO, CFO, and CCO. We have continued to sharpen the kind of company we are building — a focused rare disease business with the capabilities to develop, deliver and scale.
Our ambition is to become the premier rare disease company in the world.

The Board and I look forward to continuing to work closely with Fabrice Chouraqui and his leadership team as they build on this momentum and bring Pharming's vision to life.

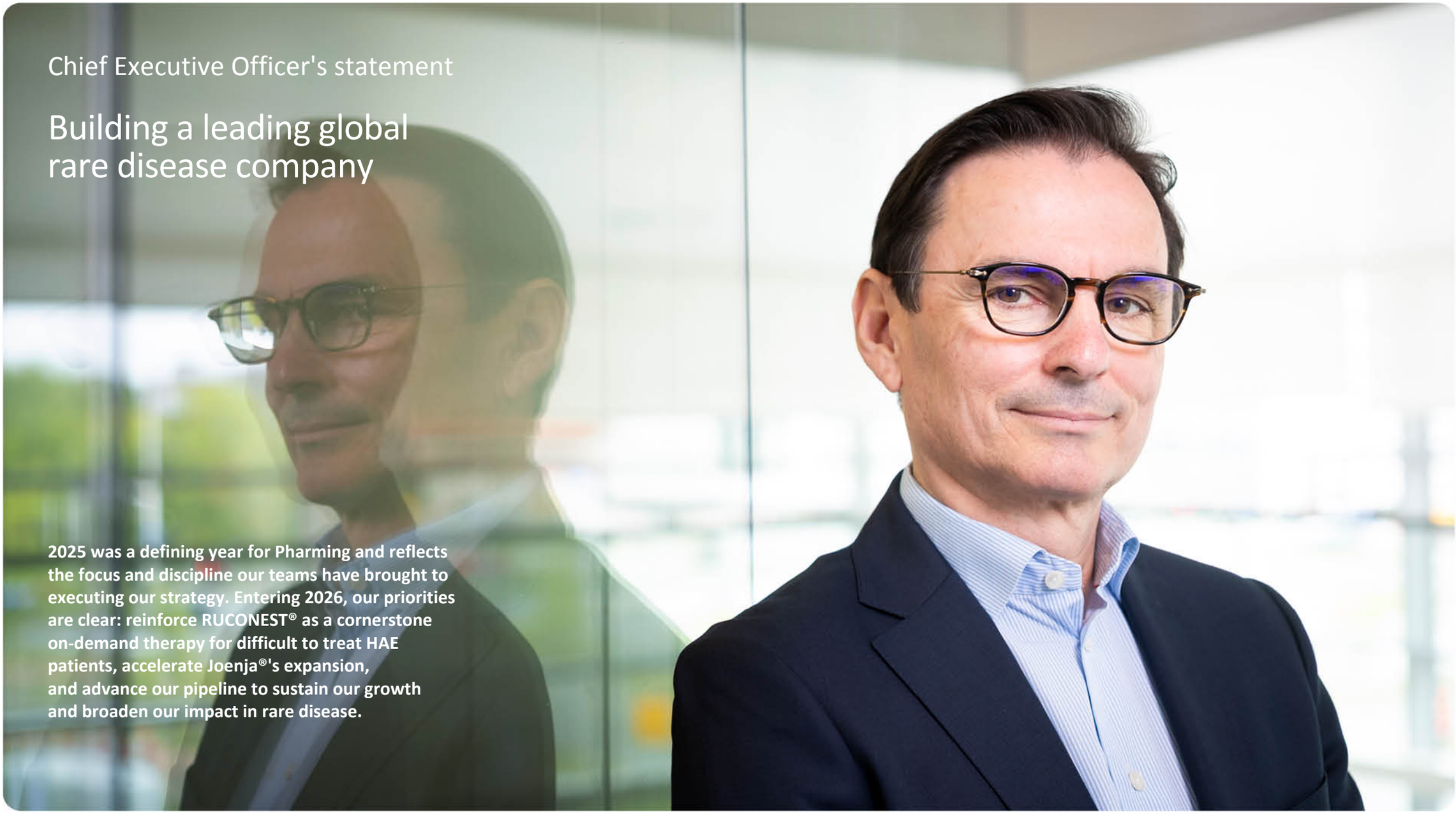
During the year, we also saw changes to the composition of the Board. I would like to thank those who stepped down for their contributions during their years of service and welcome the addition of Dr. Elaine Sullivan to the Board.

On behalf of the entire Board, I would like to thank Fabrice, the Executive Committee, and all Pharming colleagues for their resilience, commitment and hard work throughout the year.

Importantly, I would also like to thank our partners and shareholders for their continued trust and support.

We look ahead with confidence in Pharming’s direction, in the strength of its people and capabilities, and in its ability to deliver meaningful impact for patients while creating long-term value.

Richard Peters, MD, PhD
Chairman of the Board



Chief Executive Officer's statement

Building a leading global rare disease company

2025 was a defining year for Pharming and reflects the focus and discipline our teams have brought to executing our strategy. Entering 2026, our priorities are clear: reinforce RUCONEST® as a cornerstone on-demand therapy for difficult to treat HAE patients, accelerate Joenja®'s expansion, and advance our pipeline to sustain our growth and broaden our impact in rare disease.

2025 was a defining year for Pharming and reflects the focus and discipline our teams have brought to executing our strategy. We outperformed revenue guidance and delivered strong financial performance, with total revenues up 27%, driven by continued RUCONEST® growth and rising demand for Joenja® (leniolisib).

With its efficacy, reliability and rapid onset of action, RUCONEST® remains an established on-demand treatment option for difficult to treat patients. Joenja® performance accelerated in 2025, with growth driven by a 25% increase in patients on paid therapy in the U.S. and increased demand in international markets. We have identified approximately 1,000 APDS patients globally, reinforcing the expanding opportunity for Joenja® as diagnosis and patient identification continue to improve.

We also demonstrated disciplined cost management, delivering US$25.8 million in operating profit and US$54.7 million in net cash flow from operations in 2025. This marks an important inflection point and strengthens our ability to fund growth and long-term investment.

Building on this momentum, we plan to further enhance capital allocation to drive growth. We expect 2026 total revenues in the range of US$405 million to US$425 million, representing 8% to 13% growth, driven by both Joenja® and RUCONEST®.

With approximately US$9 million in G&A savings from the October 2025 headcount reductions, we expect operating expenses to grow more slowly than revenues in 2026, while supporting an approximately US$60 million increase in R&D investment.

Our pipeline is a significant value driver, and we highlighted its depth and upcoming catalysts at our recent Investor Day. We completed the Abliva acquisition and successfully started the second wave of patient recruitment in the pivotal FALCON clinical trial for napazimone (KL1333) in primary mitochondrial disease. Also during the year, we significantly advanced our efforts to study leniolisib in primary immunodeficiencies with immune dysregulation beyond APDS and started the Phase II clinical trial for CVID with immune dysregulation.

We made significant progress in 2025, building on our commercial and development capabilities to advance our vision of becoming a leading rare disease company. We continued to develop a scalable organization and strengthened our leadership team with the appointments of Kenneth Lynard as Chief Financial Officer and Leverne Marsh as Chief Commercial Officer.

Entering 2026, our priorities are clear: reinforce RUCONEST® as a cornerstone on-demand therapy for difficult to treat HAE patients, accelerate Joenja®'s expansion, and advance our pipeline to sustain our growth and broaden our impact in rare disease.

We continue to expect Phase II read-outs for leniolisib in broader primary immunodeficiencies with immune dysregulation in the second half of 2026 and are on track to complete enrollment in the pivotal FALCON study of napazimone (KL1333) in 2026, with data readout anticipated in late 2027.

This momentum underscores the strength of our business and enables us to advance our high-value pipeline, creating long-term value for shareholders and delivering meaningful impact for rare disease patients.

Fabrice Chouraqui
Chief Executive Officer and Executive Director

Strategic Business Review

Pharming in focus

Pharming Group is a global biotechnology company that develops and commercializes innovative therapies for rare and ultra-rare diseases with significant unmet need. We focus on immunological and genetic conditions where our scientific and commercial expertise can help advance care over the long term.

Patients are at the heart of everything we do. Their insights along with those of caregivers and the scientific community shape our strategy, guide our clinical study designs, and influence how we manage our approved therapies.

Our teams combine deep scientific, medical, and operational expertise in rare disease drug development and commercialization. We leverage proven and efficient clinical development, supply chain, and commercial infrastructure to advance and expand our portfolio and pipeline and increase access for patient communities that currently lack adequate treatment options.

We execute with discipline and urgency, pursuing strategic growth with focused resource allocation. By strengthening our commercial portfolio and advancing high-value pipeline programs, we aim to deliver sustainable long-term value for patients, healthcare providers, employees, partners, and shareholders.

Founded in
1988

Headquarters: Leiden, the Netherlands
U.S. Headquarters: Warren, New Jersey

407
employees globally

Dual listed:
Euronext Amsterdam (PHARM)
Nasdaq (PHAR)

Scalable infrastructure

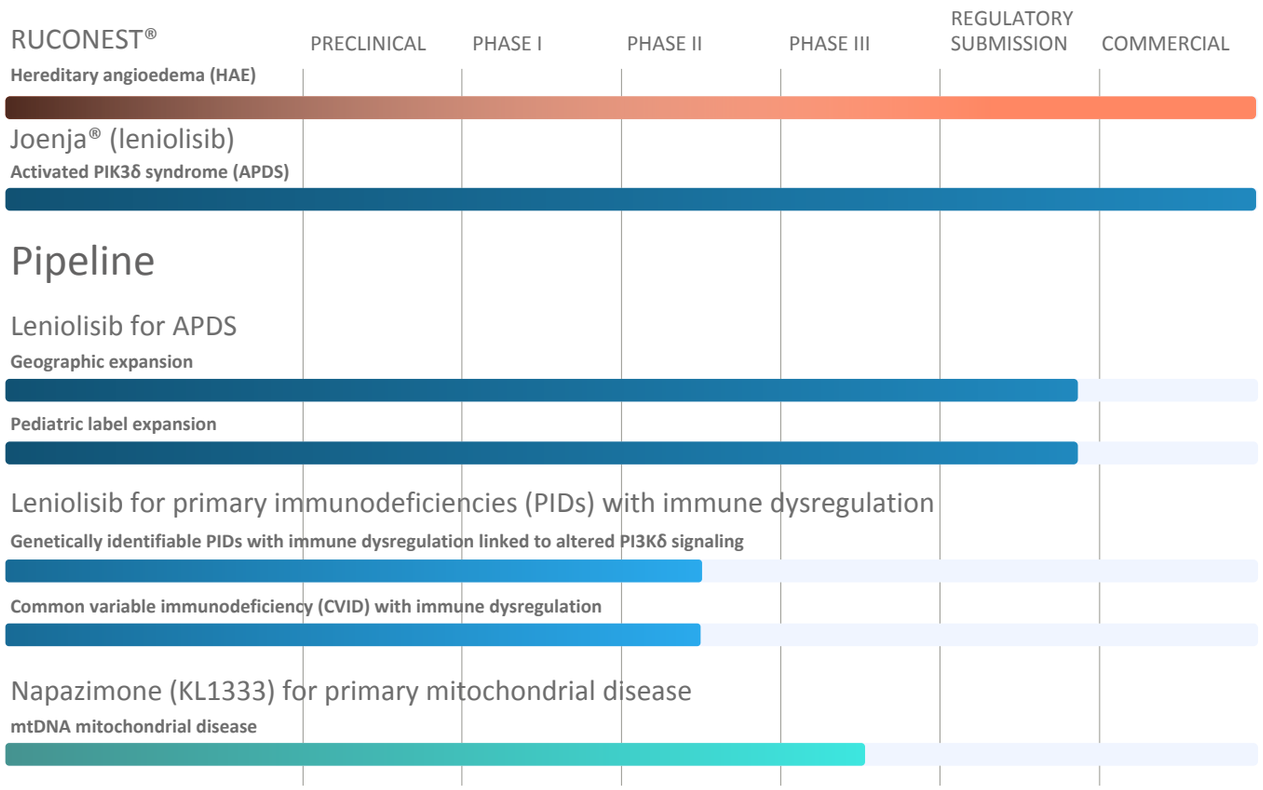
driving rare disease innovation, commercial excellence, and patient-focused value creation

High-growth commercial portfolio

High-value pipeline

Business and strategic direction

Commercial



Pipeline

Our vision is to develop a leading global rare disease company with a diverse portfolio and presence in large markets, leveraging proven and efficient clinical development, supply chain, and commercial infrastructure

Our business

Pharming is an integrated biotechnology company with proven capabilities across clinical development, manufacturing, regulatory affairs, and commercialization. Our model supports us in efficiently developing and delivering innovative therapies to expand treatment options and improve outcomes for rare disease communities with significant unmet needs.

Through disciplined execution across our commercial portfolio and pipeline, we aim to deliver sustainable growth while continuing to invest in innovation and long-term value creation for patients, healthcare providers and shareholders.

Commercial

We currently commercialize two approved therapies for distinct rare and ultra-rare disease areas.

RUCONEST®, our first approved product, is the first and only recombinant C1 esterase inhibitor (rhC1-INH) protein replacement therapy indicated for the treatment of acute hereditary angioedema (HAE) attacks in adult and adolescent patients. It has received regulatory approval in the European Economic Area (2010), the United Kingdom (2010) and the United States (2014).

Our commercial focus for RUCONEST® is the United States. In other approved regions, we continue to support patients where appropriate.

Joenja® (leniolisib), our second marketed therapy, is an oral, selective phosphoinositide 3-kinase delta (PI3Kδ) inhibitor approved in the United States, United Kingdom, Australia, and Israel, as the first and only targeted treatment indicated for activated phosphoinositide 3-kinase delta syndrome (APDS), an ultra-rare primary immunodeficiency (PID), in adult and pediatric patients 12 years of age and older, and in Japan for adult and pediatric patients aged 4 years and older.

We currently commercialize Joenja® in the United States and the United Kingdom through our own sales and marketing infrastructure.

Pipeline

Pharming is advancing a focused pipeline centered on rare immunological and genetic diseases.

Leniolisib for APDS

To expand access and generate evidence for broader use, we have active regulatory and clinical development efforts aimed at making leniolisib available to APDS patients across all age groups in key markets. In addition, we are working to further characterize the disease-causing impact of mutations in the APDS causing genes, currently classified as variants of uncertain significance (VUSs), and are undertaking further research to determine the overall prevalence of APDS.

Leniolisib for PIDs with immune dysregulation

Beyond APDS, leniolisib is being evaluated in two Phase II studies targeting additional PIDs with immune dysregulation:

- **Genetically confirmed PIDs** linked to altered PI3Kδ signaling
- **Common variable immunodeficiency (CVID) with immune dysregulation**, regardless of underlying genetic confirmation

These programs provide the opportunity to address significantly larger patient populations that currently lack targeted therapeutic options.

Napazimone (KL1333) for primary mitochondrial disease

In 2025, our late-stage pipeline was strengthened through the acquisition of Abliva AB and its lead asset, KL1333. Napazimone (KL1333), the newly named compound, is a potential first-in-disease therapy for mitochondrial DNA (mtDNA)-driven primary mitochondrial disease (PMD). It is currently in a pivotal clinical trial, designed to support regulatory approval, which passed a futility analysis on its two primary end points.

Our commitment to rare diseases

Pharming is committed to advancing care for people living with rare and ultra-rare diseases. We focus on areas of significant unmet need where our scientific and commercial expertise may make a meaningful difference - and where specialist care, diagnostic readiness, and reimbursement pathways enable responsible patient identification and sustainable access.

We align our clinical development, business development, and capital allocation decisions around rare diseases where we can build competitive advantage and create durable growth - strengthening our potential to deliver long-term value while expanding access for patients who often have limited or no treatment options.

Hereditary angioedema (HAE)

HAE is a rare, potentially life-threatening genetic condition characterized by unpredictable swelling attacks that may affect the skin, gastrointestinal tract, and upper airway (laryngeal edema). Global prevalence is estimated at ~1 in 50,000 to ~1 in 10,000. Symptoms are driven by excess bradykinin resulting from uncontrolled kallikrein activity, which leads to fluid leakage into tissues. Despite broader use of prophylactic therapies, breakthrough attacks remain common, and clinical guidelines recommend ready access to effective on-demand treatment for all patients, including those on prophylaxis.

Pharming's market emphasis

We are focused on the U.S. HAE market as the core commercial opportunity for acute treatment.

Market size & growth (U.S.)

The U.S. HAE market continues to expand, driven by improved disease awareness, broader specialist access, and new therapeutic options across both prophylactic and on-demand classes. Recent real-world U.S. claims analyses indicated that the diagnosed patient population may be larger than historically assumed at 2.67 per 100,000. This larger-than-expected patient base reinforces the need for robust prophylaxis and reliable on-demand options.[1]

By the end of 2024, the U.S. market included multiple FDA-approved options across both acute treatment and long-term prophylaxis. In 2025, the therapeutic landscape broadened further with FDA approvals introducing new mechanisms and modalities, including:

- an activated Factor XII (FXIIa) inhibitor for prophylaxis;
- a prekallikrein-directed antisense oligonucleotide for prophylaxis; and
- an oral plasma kallikrein inhibitor for on-demand treatment of acute attacks.

Collectively, these developments are expanding therapeutic choice and increasing the complexity of treatment decision-making across both prophylactic and acute settings.

Competitive dynamics (acute & prophylaxis)

The U.S. HAE market spans therapies that target C1 esterase inhibitor (C1-INH) replacement and key components of the contact activation system, including plasma kallikrein and FXIIa, delivered via intravenous, subcutaneous, and oral modalities. Long-term prophylaxis has become the dominant treatment paradigm. In a U.S. patient survey, ~68.5% reported having received or currently receiving long-term prophylaxis (LTP).[2] However, increased prophylaxis uptake has not eliminated the need for acute therapy.

The U.S. HAEA Medical Advisory Board guidelines emphasize that patients must have ready access to effective on-demand medication, and that all patients with laboratory-confirmed HAE should have access to at least two standard doses of an FDA-approved on-demand therapy.[3]

Breakthrough attacks remain clinically meaningful and common despite the widespread adoption of LTP. Randomized studies indicate that approximately 50% of patients receiving prophylaxis continue to experience breakthrough attacks[4], and many patients treated with prophylaxis also report attacks in controlled settings. In addition, certain acute therapies may require re-dosing, highlighting persistent unmet needs in acute management and reinforcing the need for therapies that restore functional C1-INH activity.

Role of RUCONEST® (recombinant C1-INH, IV)
RUCONEST® is the first and only recombinant C1-INH protein replacement therapy, providing a differentiated on-demand treatment for acute attacks in patients with Type I, Type II, and normal C1-INH HAE.

By restoring functional C1-INH, RUCONEST® addresses the underlying deficiency that triggers attacks and regulates the contact activation system through inhibition of Factor XII and kallikrein, reducing downstream bradykinin and related mediators. This mechanism supports its positioning as targeting the root cause of HAE across multiple biological pathways rather than a single cascade.

Its intravenous administration provides immediate, complete bioavailability, enabling rapid, high-dose intervention to halt attack progression. In a market increasingly shaped by prophylaxis, RUCONEST® continues to serve as a cornerstone on-demand treatment, particularly for patients experiencing more severe or frequent attacks or those who continue to experience breakthrough attacks despite prophylactic treatment.

Primary Immunodeficiencies (PIDs)

PIDs are a heterogeneous group of rare immune disorders that lead to recurrent infections and immune dysregulation.

The global PID therapeutics market is estimated at ~US$8 billion in 2025, with steady growth expected at a compound annual growth rate (CAGR) of ~6% to ~US$14 billion by 2034[5], supported by earlier genetic diagnosis, better care pathways, and sustained demand for immunoglobulin and targeted therapies.

Underdiagnosis remains significant, and expanded testing continues to increase the identifiable patient population.

APDS
APDS (activated PI3Kδ syndrome) is an ultra-rare, progressive PID first characterized in 2013[6]. Literature estimates prevalence at approximately 1.5 patients per million[6,7]. Emerging evidence suggests that the prevalence may be much higher, underscoring the importance of efforts to further characterize the disease, and understand the impact of mutations in the APDS causing genes currently classified as VUSs.

APDS presents with a clinically heterogeneous profile that may include severe and recurrent sinopulmonary infections; persistent or recurrent herpesvirus infections (notably EBV and CMV); lymphadenopathy, hepatosplenomegaly, and nodular lymphoid hyperplasia; autoimmune cytopenias; enteropathy; and bronchiectasis. Patients also face a heightened risk of malignancy, particularly lymphoma, due to dysregulated lymphoproliferation.

Delayed diagnosis can lead to the accumulation of irreversible organ damage, and published analyses indicate that survival probability may be up to 28% lower than the general population, with lymphoma and infections representing the leading causes of mortality. Despite increased awareness since its identification, APDS continues to be under-recognized and misdiagnosed, particularly outside specialist care settings.

There are currently over 1,800 known U.S. patients with a VUS in the *PIK3CD* and *PIK3R1* genes implicated in APDS. In 2025, new peer-reviewed research published in leading journal *Cell* demonstrated that functional characterization of PI3Kδ pathway variants can support the reclassification of certain VUSs to APDS.

We expect to provide an estimate of how many of these patients may be diagnosed with APDS following completion of new experiments planned to generate the data needed for genetic testing laboratories to evaluate VUSs identified in patients who have undergone genetic testing for APDS or other immunodeficiencies.

A second conclusion of this research was that APDS may have a broader clinical presentation and significantly higher prevalence than previously assumed, an important consideration for long-term market growth. Further research is on-going on this topic.

Market size & growth
The APDS market remains at an early stage, reflecting the ultra-rare nature of the disease, limited historical diagnostic pathways, and the absence, until recently, of targeted therapeutic options.

However, multiple indicators point to durable market expansion:
- New functional genomics evidence indicates that APDS may be more prevalent than previously understood as increased PI3Kδ pathway activity was identified in variants of the APDS causing genes that have not so far been reported in APDS patients[8] prompting further investigation into the true size of the APDS population.
- Expanded genetic testing and reclassification of VUSs are expected to increase the identifiable patient population.
- Growing understanding of disease burden, including risk of lymphoma and early mortality, is raising clinical urgency and supporting early targeted therapy adoption.[9,10,11,12,13]
- APDS remains the first genetically defined PID with a precision therapy, anchoring a category with long-term growth potential.

Collectively, these trends position APDS as a small but structurally expanding rare-disease market with significant diagnostic uplift ahead.

Competition
Joenja® is currently the only approved therapy for APDS and selective PI3Kδ inhibition remains the defining approach within this therapeutic category. Based on public information, we are not aware of any active clinical development programs in APDS.

PIDs with immune dysregulation beyond APDS

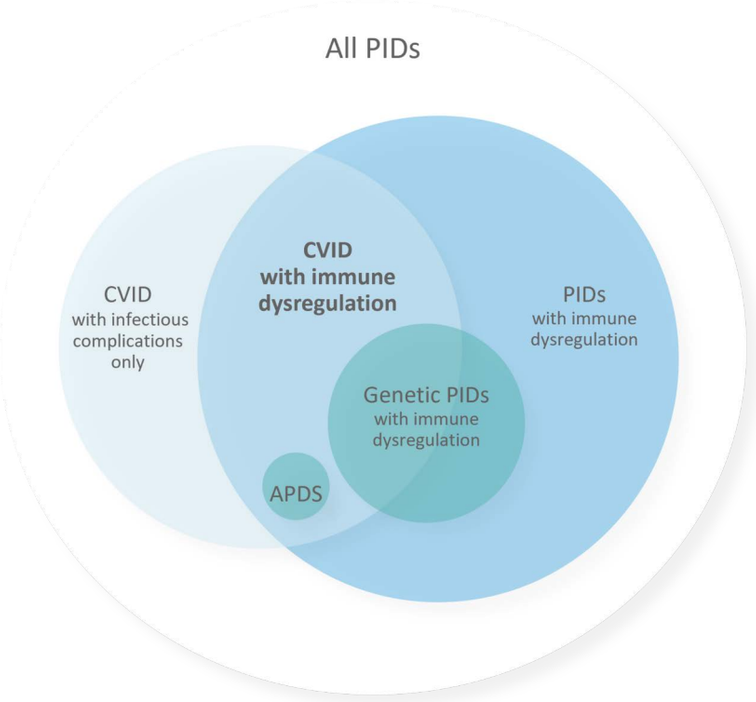
Primary immunodeficiencies (PIDs) with immune dysregulation represent an area of significant unmet medical need, commonly presenting with lymphoproliferation, autoimmune manifestations, and organ-specific inflammation.

Beyond the rare APDS population, several genetically defined PIDs with immune dysregulation linked to altered PI3Kδ signaling affect an estimated ~7.5 patients per million, offering the potential to reach meaningfully broader patient groups.

CVID with immune dysregulation represents an even larger segment within the PID landscape. As the most common symptomatic PID, approximately half of CVID patients develop inflammatory or autoimmune complications, corresponding to a target population of ~39 per million.

Many exhibit APDS-like clinical and immunologic features, reinforcing the rationale for PI3Kδ pathway modulation and importance to address the substantial unmet need across a wider spectrum of immune dysregulation disorders beyond APDS.

We are conducting Phase II studies in both PIDs with immune dysregulation linked to altered PI3Kδ signaling, and CVID with immune dysregulation. Both studies are fully enrolled and we expect top line data in the second half of 2026.



Not to scale with population sizes

Primary mitochondrial disease (PMD)

Primary mitochondrial diseases are rare, multisystem disorders caused by impaired cellular energy generation, leading to chronic fatigue, muscle weakness, neurological manifestations, and substantial functional limitations. Affecting both children and adults, PMD encompasses a broad and heterogenous spectrum of symptoms reflecting the essential role of mitochondria in cellular metabolism. With no approved therapies that directly address the underlying bioenergetic defect, current care remains largely supportive, underscoring the significant unmet need across this patient population.

Within this broader landscape, mitochondrial DNA (mtDNA)–driven mitochondrial disease represents a genetically defined subgroup with a well-characterized pathophysiology and considerable disease burden in adults. These patients commonly experience severe fatigue and myopathy that impair daily functioning and quality of life, making this population particularly suited to targeted therapeutic approaches.

Across the U.S., EU4 (France, Germany, Italy, Spain), and the U.K., more than 30,000 diagnosed patients fall into this subgroup, highlighting both the scale of unmet need and the opportunity for a therapy that directly improves mitochondrial energy production. Napazimone (KL1333), designed to modulate cellular NAD^+/NADH balance, aims to address this core bioenergetic dysfunction and potentially deliver the first disease-targeted option for mtDNA-driven mitochondrial disease.

"I was raised in a scientific household, yet they could only treat my symptoms... until I was diagnosed with APDS. Getting this diagnosis has shown me how much early recognition and awareness matters because rare diseases like mine are frequently overlooked or missed."

***Liam,** Living with APDS*

Liam living with APDS

Our strategy

Our vision is to develop a leading global rare disease company with a diverse portfolio and presence in large markets, leveraging proven and efficient clinical development, supply chain, and commercial infrastructure.

We continue to build on strong foundations, anchored by our established U.S. commercial platform, expanding access to our therapies in key markets, and progressing a high-value pipeline that we expect will power future growth.

We are strengthening and diversifying our portfolio with a goal to deliver long-term, sustainable growth, with anticipated continued growth and durability for RUCONEST®, midterm momentum driven by Joenja® and disciplined advancement of key pipeline assets leniolisib and napazimone (KL1333). We expect our robust infrastructure and deep collaborations across the rare disease ecosystem to support reliable execution and the cash flow required to fund future innovation and expand access in priority geographies.

Our culture is central to how we execute. We are united by a commitment to improving outcomes for people living with rare and life-threatening conditions. We collaborate across disciplines, combine our expertise, and encourage each other to go the extra mile. Our core values 'We put patients at the heart', 'We make it simple', 'We get it done' and 'We act with urgency' guide how we work, strengthen our ability to execute with discipline, and empower our teams to make a meaningful impact on patients and their families.

2025 Strategic progress

In 2025, we advanced our strategic agenda with discipline and focus. We reinforced the resilience and growth potential of our rare disease therapies in the U.S. and prepared for further geographic expansion. We expanded access and progressed regulatory pathways to broaden the reach of Joenja® in priority markets and continued to strengthen patient identification to enable appropriate treatment.

We advanced our innovation ambitions through disciplined late-stage development and targeted investments in programs aligned to our scientific expertise, while deepening collaboration with clinical experts and rare disease communities. Across the business, we sharpened capital allocation and enhanced cross-functional capabilities to support future portfolio growth and scalable execution. These actions strengthened our foundations for long term, sustainable growth and set clear momentum into 2026.

Resources

Insights from patients, healthcare experts and partners

Proprietary assets
Diverse talent
Financial resources

Scalable, high-performing organization

Operational, Commercial excellence

Differentiated commercial assets

High-value, de-risked pipeline

Strong financial discipline, sustainable growth

Value for patients & other stakeholders

Our competitive advantage

Our competitive advantage is built on a focused rare disease strategy, a patient-focused commercial platform, and a high-value pipeline addressing significant unmet needs. We combine deep scientific expertise with disciplined execution to identify, develop, and commercialize therapies in areas where biology is well understood and patient needs remain substantial.

Our commercial portfolio supports both resilience and growth momentum. RUCONEST® continues to play an important role in the acute HAE market, supported by its differentiated profile and established position in U.S. care.

Joenja® is the first and only approved targeted therapy for APDS and represents a clinically validated proof-of-concept for PI3Kδ inhibition in immune dysregulation. With ongoing development in PIDs with immune dysregulation beyond APDS, Joenja® has the potential to address a substantially larger patient population with limited treatment options.

Looking ahead, our late-stage pipeline further strengthens our competitive positioning. Napazimone (KL1333) is being developed for mitochondrial DNA-driven primary mitochondrial disease, an area of significant unmet medical need with no approved disease-modifying therapies. If successful, napazimone (KL1333) has the potential to become the first treatment targeting the underlying biology of this condition.

These commercial assets and pipeline programs are supported by our rare disease expertise, scalable infrastructure, and the strength of our balance sheet and operating cash flows. Together, we expect these strengths to create a solid foundation for growth and long-term impact for people living with rare diseases.

People and capabilities

Our ability to execute our strategy relies on the expertise and commitment of our people. Across the organization we continued to strengthen specialist capabilities, develop leadership, and embed cross-functional collaboration that support rare disease excellence. This focus on skills, culture and agility supports us in scaling effectively, sustaining quality and compliance, and delivering better outcomes for patients and other stakeholders.

Strategic priorities

Strengthen and sustain our marketed rare disease therapies

In 2025, we focused on enhancing the performance and long-term relevance of our marketed therapies. This included reinforcing the clinical and commercial positioning of our products, maintaining reliable supply, supporting appropriate use, and optimizing our geographic footprint.

A key priority during the year was expanding the addressable APDS population and driving uptake of Joenja®, while shaping an efficient, scalable organization to support sustained anticipated future growth.

During the year, we reinforced our franchise through sustained commercial execution. RUCONEST® continued to demonstrate resilient and growing U.S. demand, while Joenja® uptake accelerated, supported by increased patient identification and ongoing efforts to broaden the diagnosed APDS population. Following a strategic review, we made the decision to withdraw RUCONEST® from commercialization in non-U.S. markets, enabling a more focused operating model centered on the United States. This action strengthened capital allocation and sharpened our focus on key growth drivers and pipeline advancement.

Julia living with APDS

Expand global access for Joenja® in APDS

In 2025, we continued executing on our strategy to broaden global access to Joenja® by advancing regulatory submissions, enabling launches in priority markets, and expanding the eligible patient population through pediatric label expansion. We also maintained focus on improving diagnosis and identification of APDS patients, including continued efforts to resolve variants of uncertain significance (VUSs), and convert identified patients to commercial therapy in the U.S.

During the year, we achieved important regulatory and commercial milestones. We filed for approval in Japan for adult and pediatric patients, and successfully launched Joenja® in the United Kingdom. In the United States, we submitted a supplemental New Drug Application (sNDA) for pediatric patients aged 4–11 years and received Priority Review designation. We also progressed the clinical program evaluating Joenja® in younger patients (1–6 years), supporting future regulatory submissions and potential label expansion.

Advance our clinical-stage rare disease pipeline

In 2025, we advanced high-value clinical programs in rare diseases with significant unmet need through rigorous science, operational excellence, and discipline. Our priorities were to broaden the long-term potential of leniolisib beyond APDS, into larger PID populations impacted by immune dysregulation, and to progress the pivotal development of napazimone (KL1333) in primary mitochondrial disease.

We advanced two Phase II proof-of-concept clinical trials evaluating leniolisib in genetically defined PIDs linked to PI3K signaling and in CVID with immune dysregulation, with both studies on track for top-line data readouts in the second half of 2026. We also started and progressed Wave 2 of the pivotal FALCON clinical study evaluating napazimone (KL1333) in mtDNA-driven primary mitochondrial disease, following the completion of the Abliva acquisition. Wave 2 enrollment continued during the year, supporting a planned 2027 readout.

These advancements reflect disciplined execution across our late-stage programs and reinforce our commitment to building a diversified, high-value rare disease pipeline.

Pursue value-accretive business development

We maintained a disciplined approach to business development in 2025, focusing on rare disease assets that align with our scientific expertise and leverage our proven clinical development, regulatory, and commercial infrastructure.

During the year, we strengthened our rare disease pipeline through the acquisition of Abliva AB, adding KL1333 — now named napazimone (KL1333) — a late-stage asset in mtDNA-driven primary mitochondrial disease.

The transaction, initiated in late 2024, culminated in Abliva's delisting from Nasdaq Stockholm in March 2025 and our subsequent acquisition of the remaining minority shares, resulting in 100% ownership by June 18, 2025. This acquisition expanded our presence into mitochondrial disease, added a pivotal-stage program with significant long-term value potential, and reinforced our strategy of acquiring differentiated, science-driven assets in areas of high unmet need.

We also continued evaluating additional external innovation opportunities aligned with our strategic priorities, applying disciplined financial and strategic criteria to all opportunities assessed.

Shape an efficient and scalable organization

In 2025, we focused on developing an operating model that supports anticipated sustained portfolio growth, disciplined capital allocation, and future launches. We strengthened cross-functional capabilities, reinforced our core values, and worked to foster a culture of accountability and operational excellence.

During the year 2025, the first year under Fabrice Chouraqui's leadership, the organization was further aligned around clear strategic priorities and a performance-driven culture focused on execution. The October appointment of Kenneth Lynard as Chief Financial Officer further strengthened financial oversight and discipline as we continue to scale the business.

We advanced initiatives to optimize our cost structure and enhance organizational efficiency, including measures to reduce general & administrative expenses by US$9 million annually. This plan included a 20% net reduction in non-commercial and non-medical headcount. These actions enabled a more streamlined operating model, enhanced financial discipline and prioritized investments in commercial growth and pipeline advancement.

Operate responsibly and sustainably

In 2025, we continued our sustainability journey, embedding quality, compliance, and responsible business practices across our operations. We delivered new initiatives across Environmental, Social and Governance themes, from 'Compliance Day' that communicated updates to policies, broadening and deepening our culture of business integrity, to renewable energy contracts implemented at 2 more sites, reducing our greenhouse gas emissions. Such actions have strengthened our risk management processes and support the sustainable growth of Pharming.

Further detail on progress across our commercial portfolio, pipeline programs, and sustainability initiatives is provided in the Commercial portfolio review, Pipeline review, and Sustainability chapters.

Translating strategy into impact

We translate strategy into impact by aligning commercial portfolio growth with disciplined development, focused market expansion, and an enabling culture. We progress our pipeline where our capabilities create the most value — broadening leniolisib into additional primary immunodeficiencies and advancing late-stage assets like napazimone (KL1333) — while strengthening access for APDS through regulatory progress, targeted launches, and improved diagnosis.

We maintain RUCONEST® as a reliable, growing, and cash-generating U.S. franchise, supported by reliable supply. Evidence generation, from clinical programs to real-world data and health economic insights, underpins regulatory interactions and market access in large geographies.

Across development, supply chain, and commercial operations, we embed quality, compliance, and capital discipline, and we work collaboratively with clinicians, patient organizations, and genetic laboratories.

Our core values guide our teams every day, helping us execute on our strategy and enable earlier diagnosis, broader access and better outcomes for patients, and durable, re-investable cash flow.

Risks and opportunities

Our strategy is designed to deliver sustainable growth while managing the inherent complexities of rare disease markets. We continuously evaluate the risks and opportunities that shape our ability to execute, invest and grow.

Key risks

- **Evolving competitive landscapes:** New treatment options in HAE and emerging innovation in immunology has intensified competition and may require continued diversification of our portfolio.
- **Regulatory and reimbursement uncertainty:** Shifts in national and regional Health Technology Assessment (HTA) requirements, pricing pressure and reimbursement constraints could impact patient access and commercial performance.
- **Clinical and development risk:** As with all R&D-driven organizations, clinical results, regulatory reviews or development timelines may differ from expectations.
- **Supply and operational continuity:** Biologic manufacturing complexity and a global supply chain require ongoing risk mitigation to ensure reliable product availability for patients.
- **Macroeconomic volatility:** Changes in exchange rates, inflationary pressures and geopolitical instability may affect operational costs and financial performance.

Strategic opportunities

- **Expansion into new indications and geographies:** Growing awareness of rare diseases and unmet needs in PIDs create opportunities for label expansions and entry into additional markets.
- **Pipeline acceleration:** Our focused innovation model and advancements in clinical programs provide future growth opportunities beyond our current commercial portfolio.
- **Portfolio expansion through business development:** Disciplined, value-accretive in-licensing and acquisition opportunities that complement our rare disease focus, leverage our commercial and development capabilities, and strengthen our long-term growth trajectory.
- **Leverage AI in the identification of rare disease patients:** The fast evolution of technology and computation opens opportunity to analyze vast amounts of data to find patients who most likely suffer from a disease.
- **Operational leverage**: Continued financial and capital allocation discipline, digital enablement and commercial excellence support sustainable margin expansion over time.

Near-term focus for 2026

In 2026, we intend to grow Joenja® in APDS through intensified patient-finding and ex-U.S. approvals and launches while pursuing pediatric label expansion; reinforce RUCONEST®'s distinctive value proposition in a more competitive HAE market; advance leniolisib beyond APDS via Phase II proof-of-concept trial execution in additional PIDs with immune dysregulation and alignment on registrational routes; progress napazimone (KL1333) for primary mitochondrial disease through pivotal trial execution and integrated CMC readiness; and strengthen platform enablers — quality, supply reliability, data and analytics — while maintaining financial discipline.

Our strategy is supported by a responsible and sustainable operating model that prioritizes patient impact, ethical innovation and long-term value creation, which we explore further in our Sustainability section.

From Hospital Rooms to Hope for the Future

Frequent infections. Repeated hospital stays. More than 40 surgeries before adolescence. For Tyler, childhood was shaped by a rare and progressive immune disorder that went undiagnosed for years.

When genetic testing finally identified Activated PI3K Delta Syndrome (APDS), it brought long-awaited answers. Participation in a clinical study targeting the underlying immune dysregulation later marked a turning point — bringing greater stability and a renewed sense of possibility.

“ The biggest lesson I've learned is that this is bigger than just me. APDS manifests differently for each person. I used to believe my future was uncertain — now I look forward to it”

***Tyler,** Living with APDS*

11 known APDS patients
worldwide at the time of Tyler's diagnosis in 2012

1000+ today

Tyler living with APDS

Moments that matter

Advancing therapies, expanding possibilities

Numbers tell part of the story.
Real life shows the impact.

Every advance we make ultimately connects back to a person. A child who wants to attend school without interruption. An adult who wants the energy to work and care for family. A parent who wants stability instead of uncertainty.

At Pharming, everything begins and ends with the people we serve. Their experiences shape our priorities, guide our decisions and define how we measure success.

In 2025, continued growth of RUCONEST® and Joenja® reflected rising patient demand and expanding access. Behind that growth are individuals and families finding greater stability, confidence and possibility. When patient impact grows, performance follows. This is how we turn care into lasting change.

Living with HAE

Regaining control in unpredictable moments

For people living with hereditary angioedema (HAE), life can change in an instant. Swelling attacks can arrive without warning. They are sudden, unpredictable, and often painful - and sometimes life-threatening, disrupting work, school, travel, and family life. Access to reliable treatment can mean the difference between panic and preparedness.

Victoria's story

Victoria never knew when it would hit. Swelling could come out of nowhere – and the worst part wasn't only the pain. It was the uncertainty.

For years, she tried to keep going as if nothing was wrong. But living with HAE meant navigating a body that could change in a matter of hours, or even overnight — and a world that didn't always understand what it was seeing.

Even at home, the swelling wasn't always recognized for what it was. Her mother assumed she was simply putting on weight. It wasn't until her brother — a surgeon — witnessed a throat swelling that required emergency intubation that the family realized something far more serious was happening. Even then, they still had no answers.

In Barbados, she went back to doctors repeatedly, looking for an explanation. None came. She moved to the United States hoping someone would finally connect the dots — and that she could find a way to feel safe in her own body.

“ I know what I'm fighting now, and I have the drugs I need to treat it. It may not be perfect 100% of the time, but I know how to treat it. It’s no longer the hopelessness that you feel when you don’t know what is wrong or how to make things better.”

Instead, the years stretched on. Before she received the right diagnosis, Victoria went through more than eight years of chemotherapy for a condition she didn't have. She was intubated multiple times during severe attacks. When swelling closed in on her airway, there was no waiting it out, no “see if it gets better.” It was emergency care or nothing.

It took 15 years after moving to the U.S. for Victoria to be accurately diagnosed with HAE with normal C1-inhibitor (Type 3 HAE). She describes the diagnosis as an explanation that finally made her experience real.

By then, the unpredictability had already taken its toll. Attacks became so disruptive she had to stop working outside the home, stepping away from a career and routines she once loved.

Even after diagnosis, treatment wasn't straightforward. Some therapies triggered severe systemic reactions because Victoria is allergic to human plasma-derived C1 esterase inhibitor proteins. It meant that even with a name for her condition, she still didn't have a dependable way to respond when swelling began.

Working with her specialist, she eventually gained access to a treatment option that fit her medical needs — something she could use when it mattered most.

The change was practical, and it was emotional.
"Having access to a treatment I can rely on means I can plan ahead without constant fear. I finally feel prepared and confident, instead of anxious about what might happen next."

Today, she describes her experience simply as "living life again" — getting outdoors, hiking and gardening, and caring for the animals on her farm.

"Things that once made me anxious because of the uncertainty of whether I may swell or not are now possible because I have access to a medication that truly works."

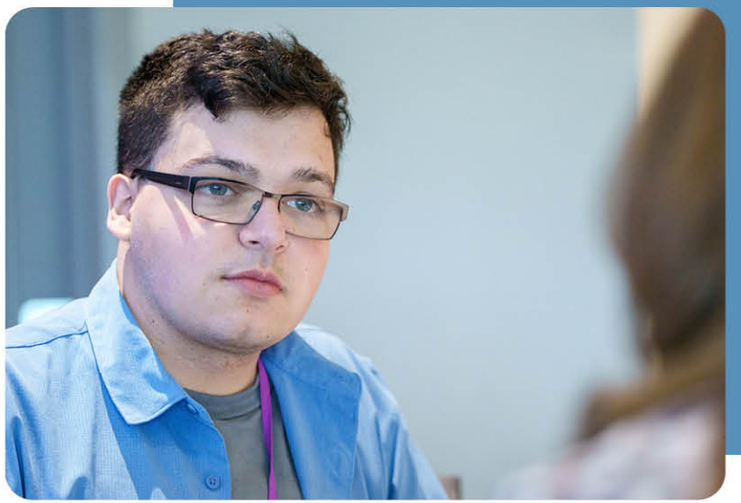
Victoria's experience reflects what reliable, targeted treatment can mean for patients living with unpredictable rare diseases — restoring control, confidence and daily independence.

Living with APDS

From constant infections to new possibilities

For many patients and families living with activated PI3Kδ syndrome (APDS), childhood can be marked by frequent infections, hospital stays, and immune-related complications. Diagnosis often follows years of uncertainty — and even after answers are found, the journey toward effective management can take time.

Tyler's story



" As a kid, I spent most of my time in the hospital. Instead of running around on the playground, I was getting prepped for surgery. I had over 40 surgeries as a child. Constantly being sick made me feel stripped of what some would call a 'normal' childhood."

Tyler is now a teacher, helping kids learn to code and build their own video games. He loves getting lost in a good book, and he finally gets to travel — milestones that once felt out of reach — because for most of his childhood, life was measured in infections and hospital days. He missed about a third of every school year, caught in a loop of getting sick, falling behind, catching up, and then getting sick again. While other kids learned routines and friendships, Tyler learned hospital corridors.

By age 10, Tyler had spent almost an entire year hospitalized. Chronic pneumonia led to repeated month-long hospital stays. His lymph nodes swelled to the size of golf balls and remained enlarged for extended periods. He experienced a wide range of complex symptoms that left his doctors and family searching for answers. Finding relief meant endless trial and error.
At one point, he was on 11 medications — each with its own side effects and challenges.

In 2012, researchers at the U.S. National Institutes of Health sequenced Tyler's entire genome and identified activated PI3K delta syndrome (APDS) as the cause. Finally, there was a name for what he'd been fighting, and while a diagnosis brought clarity, it didn't immediately mean having control. The years that followed were spent navigating treatment options and managing ongoing complications, and for a long time, Tyler felt uncertain about what his future might hold.

Up to that point, Tyler thought he was the only person living with the disorder. He convinced himself it would “end” with him — he didn't want anyone else to go through what he had lived through, and he didn't think he would live to be twenty. When he was offered the chance to join a clinical study, he didn't hesitate.

“I wanted to move beyond my previous treatments and find something that could truly help manage my symptoms. I also felt a responsibility to help others who might be diagnosed after me — to help create options for them.”

Over time, meaningful changes began to emerge. Symptoms that had persisted for years — including chronic vomiting, sinus infections, and ear complications — became less severe. He found he could go on walks without feeling as exhausted, and his breathing improved. Daily treatment also became more manageable.

“Before, I had to take multiple pills throughout the day. Now I take two — one at 11 a.m. and one at 11 p.m. It's such a relief. It's less of a constant reminder that I have APDS.”

“I have fewer infections now and feel more stable than I ever have. For the first time, I'm not just managing crises — I'm planning for the future.”

Today, Tyler's life is no longer defined by hospital stays and uncertainty. With greater stability he's making room for routine, independence, and long-term plans — milestones that once felt out of reach. His journey reflects what progress in rare immune disorders can make possible — shifting life from constant crisis to real stability.

Advancing Possibility Through Innovation
For individuals living with HAE and APDS, access to effective treatment can redefine what daily life looks like. Whether restoring control during unpredictable swelling attacks or helping stabilize immune dysregulation, scientific progress translates into tangible change.

By continuing to invest in research and global access, and by spending time to deepen our understanding of real-world patient experience, we aim to help more patients move beyond uncertainty toward greater stability, confidence and independence.

Patients at the Heart. Performance with Purpose.
When more patients gain access to effective treatment, impact grows — for families, for communities and for Pharming. That impact is reflected in our performance.

Our continued commercial momentum in 2025, including US$376.1 million total revenues, reflects increasing trust from physicians and patients. That trust enables us to invest in innovation, expand access and strengthen our global rare disease platform.

We measure progress not only in revenue growth, but in:
- Greater confidence in managing sudden attacks
- More stability in immune health
- More independence in daily life

This is how we create value — by putting patients first and delivering consistently. This is what performance with purpose looks like. Because ultimately, rare disease breakthroughs aren't just discovered. They're created together.

Approximately

95%

of rare diseases lack an approved treatment option

In rare diseases, one dedicated clinician can redefine a patient's path

Dr. Patel cares for patients living with rare conditions such as APDS, primary immunodeficiencies, hereditary angioedema and primary mitochondrial diseases- part of a landscape of more than 10,000 rare diseases worldwide, with approved treatments available for only about 5% of them.

Each day, he navigates limited evidence, complex presentations and diagnostic journeys that can span years. His work is defined not only by scientific rigor, but by a steadfast commitment to patients who often arrive without clear answers or established options. By listening closely and translating clinical insight into real-world evidence, Dr. Patel helps expand understanding and advance care.

In rare disease, progress often begins with a clinician willing to stand with patients at the edge of what is known — and move the field forward.

“ In rare diseases, understanding the lived experience and filling the evidence gaps are essential. Every new insight brings us closer to delivering options patients have been waiting for.”

Dr. Niraj Patel, Clinical immunologist & research partner

Commercial portfolio review

Our portfolio is designed to deliver meaningful impact for people living with rare and potentially life-threatening conditions while generating durable cash flow that enables continued investment in innovation. In 2025, we focused on disciplined execution across our marketed therapies, emphasizing appropriate use, strong operational performance, and high-quality evidence generation in support of patients and their families, clinicians, payers, and regulators.

Throughout the year, we strengthened commercial excellence and patient identification initiatives, maintained dependable product quality and supply assurance, and expanded real world evidence and health economic insights in preparation for key regulatory and access engagements. We also deepened our collaboration with clinicians, patient organizations, and genetic laboratories to help support earlier diagnosis and more informed treatment decisions.

This section reviews performance across our marketed portfolio, including RUCONEST®, a recombinant C1 esterase inhibitor for acute hereditary angioedema (HAE), and Joenja® (leniolisib), the first approved targeted treatment for activated PI3Kδ syndrome (APDS). It highlights how consistent execution, reliable supply, strengthened diagnostic and patient identification efforts, and effective payer engagement enable timely treatment for eligible patients while reinforcing the Company's long-term strategic and financial objectives.

MacKenna living with APDS

RUCONEST® for the treatment of HAE

RUCONEST® remains an established on-demand treatment for adults and adolescents experiencing acute HAE attacks. As the first and only recombinant C1 esterase inhibitor (rhC1-INH) protein replacement therapy, RUCONEST® restores functional C1-INH activity and addresses the underlying deficiency driving bradykinin-mediated swelling. In a landscape increasingly shaped by long-term prophylaxis — where breakthrough attacks remain clinically meaningful — RUCONEST® continued to serve as a cornerstone acute therapy in 2025, particularly for patients requiring dependable, rapid control.

With more than a decade of U.S. availability and a longstanding prescriber base, RUCONEST® serves a clearly defined patient population and generates reliable cash flow to support Joenja® (leniolisib) commercialization and broader pipeline investment.

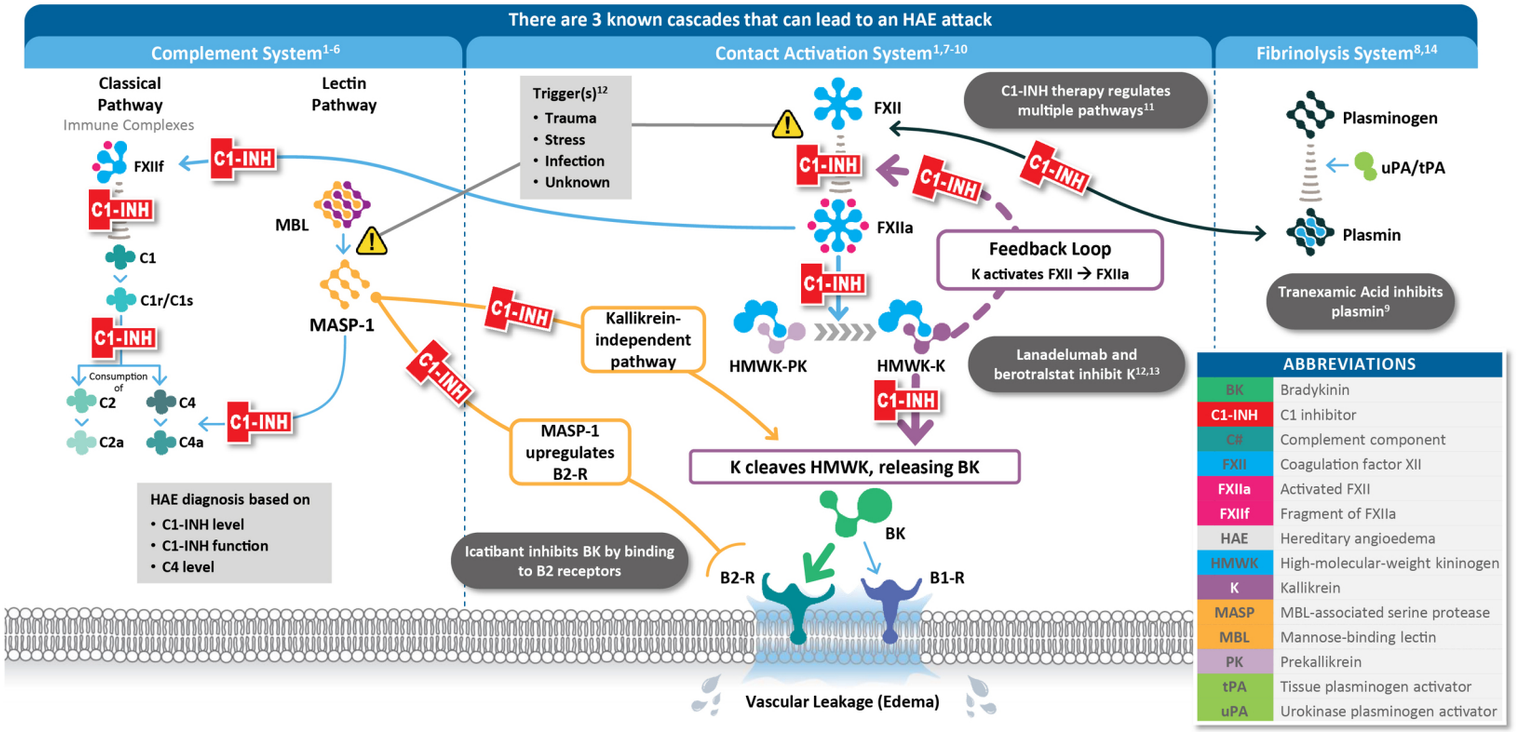
Product overview

RUCONEST® is a rhC1-INH approved for the treatment of acute HAE attacks in adults and adolescents. Produced using our transgenic technology platform, it provides a recombinant source of functional C1-INH to help control the inflammatory pathways that drive acute HAE symptoms. The therapy is administered intravenously and is used at the onset of an attack to help halt its progression.

With more than a decade of availability in the United States, RUCONEST® has an established role in acute HAE care, supported by consistent real-world use, dependable supply, and a mature safety profile.

The therapy has a long-standing position with physicians and patients in this rare disease community.

The scientific illustration below highlights the role of C1-INH across multiple inflammatory cascades relevant to HAE. This schematic reflects current understanding of the biological pathways involved; clinical implications beyond the approved indication are unknown.



Adapted from a clinical cascade developed in partnership with Dr. Allen Kaplan. This is a current scientific understanding of the cascades. Clinical implications are unknown.

2025 performance overview

RUCONEST® delivered another year of strong performance in 2025, reflecting the product's stable role in the U.S. acute HAE landscape. Revenue for the full year 2025 reached a record US$317.9 million, representing a 26% increase compared to 2024.

In the U.S. market, we continued to expand our patient and prescriber base throughout the year. Revenue growth over the prior year reflects the benefit of a larger patient base, including patients with HAE with normal C1-INH.

With its efficacy, reliability and rapid onset of action via IV administration, RUCONEST® remains an established on-demand treatment option for patients experiencing more severe or frequent attacks who have failed other on-demand medications. During the year, we increased the RUCONEST® physician prescriber base by 6%. Unit sales volume in the U.S. increased by 20% for the full year.

“ [APDS] really does affect every aspect of your life.”

Patient living with APDS

Throughout 2025, RUCONEST® maintained steady utilization within the acute segment, supported by new patient enrollments and consistent clinical engagement. Operational execution remained strong, with continued supply, enabled by stable manufacturing throughput and robust quality oversight. Product quality and safety indicators remained consistent with historical performance.

RUCONEST® continued to be a dependable source of cash flow, supporting ongoing investment in Joenja® (leniolisib) commercialization and our broader development pipeline. Our priorities remain focused on maintaining reliable supply, responsible lifecycle management, and operational efficiency.

RUCONEST® maintained steady utilization among prescribers and patients who rely on rapid, reliable control of acute attacks and it is commercialized exclusively in the United States through our direct commercial organization.

In November 2025, following a strategic review, we announced the withdrawal of RUCONEST® from commercialization in all non-U.S. markets. These markets represented less than 2% of RUCONEST® revenue and were not financially sustainable long-term.

Throughout this transition, our highest priority has been ensuring continuity of care for affected patients. To support this, RUCONEST® remains accessible in certain countries outside the United States through the HAEi Global Access Program (HAEi GAP), subject to local regulatory frameworks and individual eligibility assessments.

With this transition complete, RUCONEST®'s commercial footprint is now fully focused on the U.S. market, supported by dedicated commercial, medical, supply, and patient-services teams.

Intellectual property and exclusivity

RUCONEST® has patent protection in the United States and European Union until October 7, 2026, and biologics reference product exclusivity in the United States through July 16, 2026.

Beyond formal exclusivity, RUCONEST® benefits from a proprietary recombinant production platform and specialized manufacturing processes that are complex and capital-intensive.

As a complex biologic produced using transgenic technology, the product requires highly specific technical capabilities, validated purification processes and regulatory oversight that may present meaningful barriers to entry.

Development of a biosimilar would require substantial investment, validated manufacturing capabilities and regulatory approval and would carry significant execution risk.

To date, we are not aware of any pending biosimilar applications referencing RUCONEST® in the United States or European Union.

While competition cannot be ruled out following expiry of exclusivity periods, we believe the scientific complexity of recombinant biologics, combined with manufacturing know-how and established physician familiarity, may limit near-term biosimilar risk.

“ With the right plan, I've learned that I can live beyond HAE.”

***Noah,** Living with HAE*

Noah living with APDS

Joenja® (leniolisib) for the treatment of APDS

Our second commercialized product, Joenja®, is an oral small molecule PI3Kδ inhibitor approved in the United States, United Kingdom, Australia and Israel, as the first and only targeted treatment indicated for activated phosphoinositide 3-kinase delta (PI3Kδ) syndrome (APDS), in adult and pediatric patients 12 years and older, and in Japan for adult and pediatric patients aged 4 years and older. This represents the first global approval of Joenja® for children aged 4 to 11.

Product overview

As a disease modifying therapy, Joenja® targets the root cause of APDS, by selectively inhibiting PI3Kδ, supporting a more balanced pathway and addressing immune dysregulation characteristic of the disease. Joenja® inhibits production of phosphatidylinositol-3-4-5-trisphosphate, a cellular messenger that regulates processes including proliferation, differentiation, cytokine production, survival, metabolism, and cell migration/ trafficking.

Joenja®'s efficacy and safety in APDS were established in a Phase II/III randomized, placebo-controlled trial and an open-label extension (OLE) study.[14] The OLE with data from APDS patients 12 years and older taking Joenja® for up to 6 years was published in 2024 and completed in 2025, reported improvements in health-related quality of life (HRQoL) and a reduction in the severity of certain clinical manifestations over time. The study also noted decreases in prescribed medications for several patients, reflecting sustained clinical benefit throughout long-term follow-up. A full description of study designs, endpoints, outcomes, and safety is available in the Clinical Studies section of our 2024 Annual Report and referenced peer-reviewed publications.[15,16,17,18]

2025 performance overview

Joenja® continued to expand its presence in 2025 with approvals in Australia and the UK alongside securing reimbursement in the UK. During the year, we focused on strengthening the foundations needed for long-term, sustainable adoption: deepening patient identification, supporting appropriate initiation, and advancing reimbursement and regulatory submissions to broaden access.

Financial performance

Joenja® delivered solid financial performance in 2025, with uptake accelerating in the U.S. and a strong start to the UK launch, as rising patient identification continued to expand the diagnosed APDS population. Revenue for the full year 2025 increased to US$58.2 million, a 29% increase compared to 2024. Revenue growth in the fourth quarter of 2025 was driven by a significant increase in patients on paid therapy in the U.S. and increased demand in international markets, including strong patient uptake in the U.K. following the April 2025 launch and purchases under government-supported access programs.

The United States contributed 86% of 2025 Joenja® revenues, generating US$50.1 million in sales compared to US$40.5 million in 2024.

International markets outside the United States contributed 14% of 2025 Joenja® revenues, largely driven by initial uptake in the United Kingdom following positive reimbursement decisions by the National Institute for Health and Care Excellence (NICE), the Scottish Medicines Consortium (SMC) and implementation through the National Health Service (NHS), and by early access in additional regions.

Across all markets, performance benefited from uninterrupted supply, reliable patient services and continued diagnostic testing support, which together contributed to sustained patient identification and treatment initiation. Inventory levels, manufacturing schedules, and logistics remained aligned with increasing global demand, and no material supply constraints or inventory build affected revenue in 2025.

Looking ahead, revenue growth is expected to be influenced by the pace of new patient identification, country specific reimbursement timelines, and ongoing regulatory progress, including activities related to the supplemental U.S. submission for patients aged 4–11 years. We remain focused on scaling access in approved markets, advancing new market launches, and supporting appropriate use among eligible APDS patients.

Patients on therapy

As of December 31, 2025, 120 patients in the United States were receiving Joenja® through commercial channels, representing a 25% increase from the 96 patients at the end of 2024. The number of patients on paid therapy in the U.S. increased by 24 during 2025, compared to an increase of 16 in 2024.

Patient identification

Globally, 998 diagnosed APDS patients of all ages had been identified by year-end, including 274 patients in the U.S. and 382 in core markets outside of the U.S. The number of U.S. patients diagnosed with APDS that we have identified increased by 40 in 2025 compared to an increase of 18 in 2024. Of these identified patients in the U.S., 181 patients are 12 years of age or older and currently eligible for treatment with Joenja® under the approved label, while 52 are between 4 and 11 years of age.

As of year-end 2025, there are 175 APDS patients in either a leniolisib Expanded Access Program (compassionate use), an ongoing clinical study, or a paid access program. Many of these patients may transition to commercial therapy following regulatory approvals in their respective markets.

APDS patient diagnostic support

Launched on March 2, 2021, navigateAPDS (U.S./Canada) is our sponsored program that provides no-charge, panel-based genetic testing and third-party genetic counseling to eligible individuals with suspected primary immunodeficiency, as well as familial variant testing for blood relatives after a positive molecular diagnosis. The program is designed to reduce barriers to definitive diagnosis for APDS by combining broad immunodeficiency gene panels, expert pre- and post-test counseling, and family cascade testing. In Europe, we continue to intensify patient-finding through collaborations with immunology centers of excellence and national networks focused on rare immune disorders.

Earlier and accurate diagnosis can help clinicians distinguish APDS from other immunodeficiencies and immune dysregulation syndromes and inform appropriate management, including consideration of Joenja® where approved and indicated. By supporting family cascade testing, the program also helps identify previously undiagnosed relatives who may be affected.

We continued to advance multiple initiatives in 2025 to support earlier and more accurate diagnosis of APDS. Alongside our sponsored genetic testing program in the U.S. and Canada, we expanded collaborations with genetic testing companies, clinicians, and patient communities to reduce barriers to testing and increase appropriate family cascade evaluation. As APDS is an inherited condition, we believe that many of the more than 270 identified U.S. patients may have undiagnosed relatives, and as such family cascade testing is being offered to help identify related individuals who may also be affected.

VUS patient reclassification and APDS prevalence

APDS diagnosis requires integration of clinical presentation, immune function, and genetic testing, with a pathogenic or likely pathogenic (P/LP) variant in the *PIK3CD* or *PIK3R1* gene needed to confirm the diagnosis. However, many patients with clinical features consistent with APDS receive a variant of uncertain significance (VUS) genetic finding, where the disease relevance is not yet known.

Data from our navigateAPDS program show that VUSs in *PIK3CD*/*PIK3R1* occur roughly four times more frequently than currently known P/LP variants. This underscores both the scale of diagnostic uncertainty and the potential impact of resolving VUSs on the number of patients who may eventually receive a confirmed diagnosis.

As of December 31, 2025, approximately 1,800 individuals in the U.S. are known to carry a VUS in one of the APDS implicated genes. When a VUS is reclassified as P/LP, clinicians can establish a definitive APDS diagnosis, allowing patients to be considered for Joenja® treatment if they meet the approved label criteria.

In June 2025, leading peer-reviewed journal *Cell* published results from a high-throughput functional screening study conducted by Columbia University, evaluating portions of *PIK3CD* and *PIK3R1*. The research demonstrated that numerous previously uncharacterized variants, including existing VUSs, exhibited PI3Kδ hyperactivity, a hallmark of APDS biology. Functional data of this type is recognized by expert bodies such as American College of Medical Genetics and Genomics and ClinGen as one component that can contribute to variant classification, alongside clinical, genetic, and computational evidence.

Based on evaluation of the data from this study by genetic testing laboratories, additional complementary evidence will be required to enable variant interpretation by genetic testing laboratories. We are planning new experiments to generate the data needed for genetic testing laboratories to evaluate VUSs identified in patients who have undergone genetic testing for APDS or other immunodeficiencies. We expect to provide an estimate of how many of these patients may be diagnosed with APDS following completion of these experiments. To generate this data, we have initiated a broader collaboration with Columbia University to extend functional testing to the remaining regions of both APDS genes using next-generation screening technologies. This expanded effort is designed to evaluate many more VUSs than the initial study, enabling a more complete understanding of the mutational landscape associated with PI3Kδ hyperactivation.

A second conclusion of the research conducted by Columbia University was that APDS may have a broader clinical presentation and significantly higher prevalence than previously assumed, an important consideration for long-term market growth. Further research is on-going on this topic.

We remain committed to supporting the full diagnostic journey for individuals and families affected by APDS and will continue to work with laboratories, clinicians, and academic partners to generate and interpret the evidence needed to resolve both novel variants and existing VUS.

These efforts are expected to enable the identification of additional patients with APDS, helping to close the diagnostic gap created by uncertainty in current genetic testing.

Operational performance
Operational readiness remained a key driver of Joenja® performance during 2025. Supply remained uninterrupted across all commercial markets.

Access and regulatory progress

In 2025, we made significant progress advancing global access to Joenja® (leniolisib) for people living with APDS.

United States

Joenja® is approved in the United states as the first and only targeted treatment for APDS patients 12 years of age and older. During 2025, we continued to expand patient identification, supporting increasing uptake in the U.S.

United Kingdom

On September 25, 2024, the U.K. Medicines and Healthcare products Regulatory Agency (MHRA) granted marketing authorization for Joenja® for the treatment of APDS in adult and adolescent patients 12 years of age and older. Joenja® was the first new medicine approved by the MHRA via the International Recognition Procedure (IRP) using the U.S. FDA as reference regulator. We launched Joenja® in the U.K. in April 2025.

England & Wales
On April 23, 2025, the National Institute for Health and Care Excellence (NICE) issued positive final guidance recommending Joenja® for routine reimbursement and use within the National Health Service (NHS) in England and Wales for the treatment of APDS in adult and pediatric patients aged 12 years and older. This followed NICE's positive final draft guidance published on March 13, 2025.

In England, Joenja® is funded through the Innovative Medicines Fund, enabling immediate access for eligible patients, while in Wales it is funded through the NHS in designated specialist centers.

Scotland
In Scotland, on December 8, 2025, the Scottish Medicines Consortium (SMC) published its initial ultra-orphan assessment for Joenja®. From March 5, 2026, Joenja® can be prescribed within the ultra-orphan pathway while further evidence on its effectiveness is generated over a period of up to three years. The first patient in Scotland is now receiving treatment, with data collection ongoing to support a future reassessment and a decision on routine use within NHS Scotland.

Australia

In March 2025, we received positive feedback from the Australian Advisory Committee on Medicines, and we received approval for Joenja® from the Australian Therapeutic Goods Administration (TGA) for the treatment of APDS in adult and adolescent patients 12 years of age and older.

In July 2025, the Australian Pharmaceutical Benefits Advisory Committee (PBAC) recommended the listing of Joenja® on the Pharmaceutical Benefits Scheme (PBS) and reimbursement negotiations are ongoing.

Israel

In April 2024, the Israeli Ministry of Health granted marketing authorization for Joenja® for the treatment of APDS in adult and pediatric patients 12 years of age and older.

We continue to work with Kamada Ltd. as our commercial partner for Joenja® in Israel; leniolisib is listed on Kamada's product portfolio for adults and adolescents ≥12 years (weight-based per local label). Discussions with health authorities on reimbursement have been progressing.

Japan

In March 2026, the Japanese Ministry of Health, Labour and Welfare (MHLW) granted marketing authorization for Joenja® for the treatment of APDS in adult and pediatric patients aged 4 years and older, following a positive recommendation from the Japanese Pharmaceutical Affairs Council. Joenja® is the first approved treatment for APDS in Japan and this approval of Joenja® is the first anywhere globally for children aged 4 to 11.

Japan remains a strategically important market, supported by its advanced rare disease infrastructure and strong clinical engagement. The Japanese Pharmaceuticals and Medical Devices Agency (PMDA) reviewed the application under the Priority Review pathway, following Orphan Drug Designation granted by the MHLW in May 2023. In August 2023, the first patient was enrolled in a local Phase III clinical trial to support regulatory approval in Japan. An interim analysis completed in 2025 showed safety and efficacy findings consistent with the global Phase II/III program, supporting the regulatory submission, which was submitted in June 2025. Eligible patients from the clinical study will continue to receive leniolisib through an open-label extension period to further assess long-term safety and tolerability.

Under an agreement with Pharming, OrphanPacific, Inc. serves as the Marketing Authorization Holder for Joenja® in Japan and, in collaboration with Pharming, is responsible for product supply and distribution. Commercial launch is expected following agreement with the MHLW on the National Health Insurance drug price.

For more information our regulatory activities in other regions, please refer to the section Leniolisib for APDS: global regulatory filings within the Pipeline review of this Annual Report.

Named-patient and early-access programs
In countries where leniolisib is not yet commercially available, physicians can request access for eligible patients through named-patient or early-access routes, subject to local health authority regulations and approvals.

Intellectual property and exclusivity

Joenja® (leniolisib) is protected worldwide by the Novartis composition-of-matter patent family (e.g., U.S. Patent No. 8,653,092, European patent EP2590974B1, which provides patent protection for Joenja®, such as treatment of APDS in the United States and the European Union through July 2036). A six-month pediatric extension, if granted, could extend U.S. patent protection to January 2037.

In the United States, the patent term was adjusted by the USPTO at grant to account for regulatory review delays, and we have applied for a patent term extension following FDA approval of Joenja®.

In the European Union, we intend to seek a Supplementary Protection Certificate (SPC) following EU marketing authorization. Together, these adjustments and extensions are expected to support patent protection through July 2036 (or January 2037 with a pediatric extension).

In addition to patent protection, Joenja® benefits from regulatory exclusivity in Europe. Upon EU marketing authorization, Joenja® would be eligible for ten years of orphan medicinal product market exclusivity. Following successful completion of the agreed Pediatric Investigation Plan (PIP), this period may be extended by up to two additional years. We therefore anticipate that patent protection is expected to extend beyond the period of orphan market exclusivity in Europe, supporting long-term protection for Joenja®.

“ It's about the future and what it holds, and what else is going to pop up… A lot of it's just about what comes for them, and what life choices they're going to make now that they have the knowledge…. To be able to say, ‘We have this mutation. Do we want to have children? And what does all that mean?’”

Family living with APDS

~44
per million patients with immune dysregulation

Every breakthrough begins with understanding what one patient needs

Matt works at the intersection of deep scientific understanding and disciplined execution, helping drive future value for patients and for Pharming. He leads cross-functional teams across development and commercialization to ensure Joenja® reaches eligible APDS patients while advancing Phase II programs in broader primary immunodeficiencies (PIDs) with immune dysregulation.

Inspired by a passion to develop transformative therapies for patients with immune dysregulation — many of whom have limited or no approved treatment options — Matt is driven by the impact a fully integrated, cross-functional team can deliver. His inclusive and curious leadership reflects Pharming's determination to find new solutions, translating insight and knowledge into action and delivering meaningful, lasting progress for patients who deserve better.

“ Understanding our science is where everything begins. What drives me is leading cross-functional teams to translate that science into sustainable value - for patients, the healthcare ecosystem and the business. By working closely with the scientific and patient communities, we move with urgency to ensure patients feel the impact as quickly as possible.”

Matt Cohen, Vice President Program Lead Leniolisib

Pipeline review

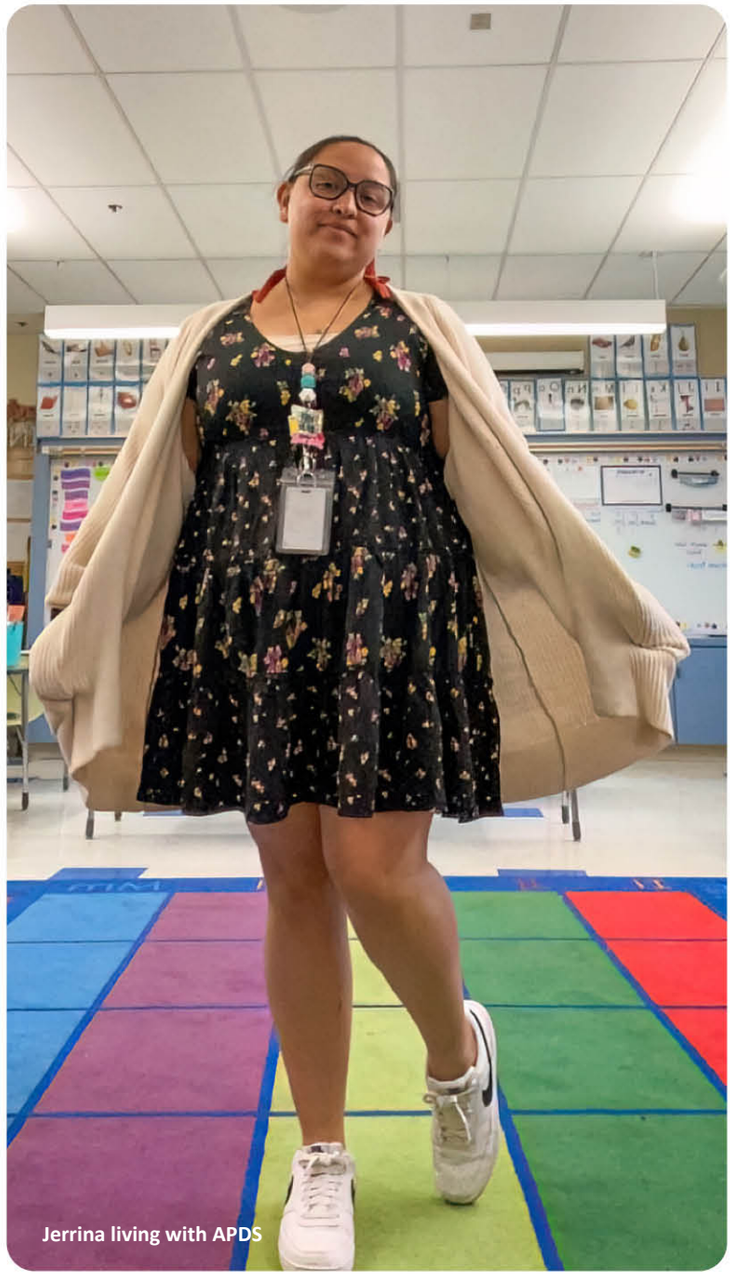
Advancing purposeful innovation for rare disease communities worldwide

In 2025, we continued to advance our high-value rare disease pipeline, progressing clinical programs designed to address serious and underserved immune and mitochondrial conditions. Our progress reflected disciplined execution across global development and regulatory pathways, strong scientific foundations, and sustained investment in areas of significant unmet medical need.

Across the portfolio, we worked to advance leniolisib beyond its approved indication in APDS. During the year, we supported global regulatory submissions for APDS in additional markets and progressed two Phase II proof-of-concept studies evaluating leniolisib in broader PIDs with immune dysregulation, including CVID. These studies build on the established mechanism of action and clinical experience in APDS and represent the next phase of development aimed at addressing substantially larger patient populations.

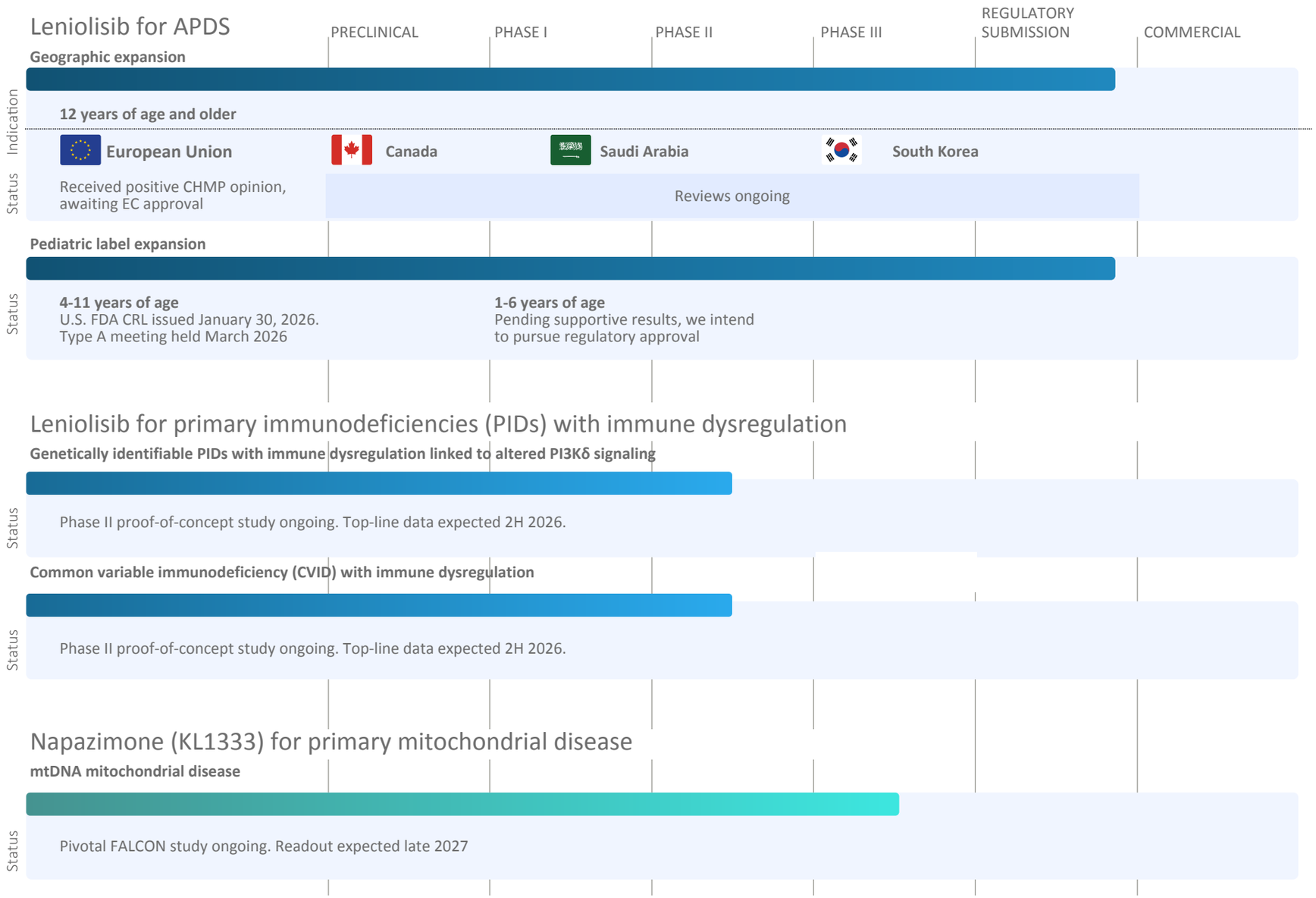
In parallel, we continued advancing napazimone (KL1333) in the pivotal FALCON study for mtDNA-driven primary mitochondrial disease (PMD). Following the integration of Abliva AB, we progressed global site expansion and patient recruitment throughout 2025. The program builds on the positive interim futility analysis completed in 2024 and remains on track for a 2027 readout.

Together, these programs form the core of our high-value clinical-stage pipeline and position the Company for a series of important potential clinical and regulatory milestones in 2026, including anticipated regulatory decisions for APDS in key markets and topline results from the two Phase II leniolisib studies in PIDs with immune dysregulation.



Jerrina living with APDS

Pipeline



All investigational programs above have not been approved for the indications under investigation. Safety and efficacy have not been established.

Leniolisib for APDS: global regulatory filings

Expanding patient access to the first targeted therapy for APDS

Joenja® (leniolisib) is the first and only targeted therapy approved for the treatment of APDS in patients 12 years of age and older. Its approval in multiple jurisdictions is supported by robust clinical data demonstrating meaningful improvements in lymphoproliferation and immunophenotype correction. During 2025, we advanced regulatory filings to expand access for patients across key regions.

European Economic Area

In May 2024, the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) affirmed the positive clinical benefit and safety profile of leniolisib, consistent with the assessment provided by the EMA's Ad-hoc Expert Group and identified one outstanding chemistry, manufacturing and controls (CMC) item related to the definition of regulatory starting materials for leniolisib's manufacturing process.

In 2025, the CHMP maintained this position and we completed all required manufacturing activities and quality controls and, within the extended deadline of January 2026, submitted a comprehensive response including supporting data to the EMA.

On March 26, 2026, the CHMP adopted a positive opinion recommending marketing authorization for leniolisib in adult and pediatric patients aged 12 years and older. A final decision by the European Commission (EC) on the marketing authorization for Joenja® (leniolisb) under exceptional circumstances is expected within approximately two months. If approved, Joenja® (leniolisib) would become the first approved treatment for APDS in the European Union.

The centralized marketing authorization would be valid in all 27 European Union Member States, as well as Norway, Iceland and Liechtenstein.

Current status: Received CHMP positive opinion, awaiting EC approval decision in the second quarter of 2026.

Canada

Our regulatory pathway in Canada continued to progress in 2025:

- A regulatory submission for APDS (12+) was filed in the third quarter of 2023.
- In July 2024, we submitted a response to a Notice of Deficiency.
- In January 2025, Health Canada issued a Notice of Non-Compliance requesting additional CMC data.
- Health Canada granted us an extension to February 2026 to submit the required information.
- We submitted a response with additional CMC data to Health Canada at the end of January 2026.
- A decision on the regulatory submission is expected by mid-year 2026.

Current status: Review ongoing; response submitted and decision expected by mid-year 2026.

Additional markets

Saudi Arabia

We submitted an NDA to the Saudi Food & Drug Authority (SFDA) in November 2024 for patients aged 12 years and older. The review is aligned with the SFDA reliance pathway, which leverages FDA decisions. A regulatory decision is expected following completion of the reliance-based assessment.

Current status: Review ongoing.

South Korea

In May 2024, South Korea granted Orphan Drug Designation for leniolisib in APDS. In March 2025, we submitted an NDA for patients aged 12 years and older to the Ministry of Food and Drug Safety (MFDS).

Current status: Review ongoing.

Pediatric label expansion — Driving toward earlier intervention for children living with APDS

We are committed to ensuring that children with APDS have equitable access to targeted treatment as early as possible in their disease journey. In 2025, substantial progress was made across our two pediatric clinical development programs, covering children 4–11 years and 1–6 years of age.

Our pediatric strategy builds on the robust efficacy and safety profile demonstrated in adolescents and adults, as well as regulatory recognition of the significant unmet medical need in younger APDS patients. Global regulatory authorities, including the EMA and MHRA, have already endorsed our Pediatric Investigation Plans (PIPs), supporting the structured expansion of leniolisib into younger age groups.

APDS in children 4 to 11 years of age

Clinical Development Progress

In 2024, we completed a global Phase III study evaluating leniolisib in children aged 4 to 11 years of age with confirmed APDS, supporting the potential expansion into this younger patient population. Twenty-one patients were enrolled and completed the 12-week treatment period.

The study applied a weight-based dosing strategy to ensure appropriate pediatric exposure and utilized endpoints consistent with the pivotal adolescent and adult program, enabling meaningful cross-study comparison.

The trial demonstrated improvements across the co-primary endpoints, including reduction in index lymph node size and an increase in the percentage of naïve B cells, reflecting modulation of the underlying immune dysregulation characteristic of APDS.

Health-related quality of life measures were also assessed to capture broader functional outcomes in this pediatric population.

The safety profile was consistent with prior experience; all treatment-emergent adverse events were mild to moderate in severity, and no drug-related serious adverse events were observed.

Collectively, we believe these data support the clinical rationale for extending leniolisib to younger APDS patients and formed the basis for regulatory submissions.

Regulatory Progress

United States

In July 2025, we submitted a supplemental New Drug Application (sNDA) to the U.S. FDA seeking approval of Joenja® (leniolisib) for children aged 4 to 11 years of age. The application was accepted for review in October 2025 and granted Priority Review designation, reflecting the significant unmet need in the pediatric APDS population.

On January 30, 2026, the FDA issued a Complete Response Letter (CRL). The CRL requested additional pediatric pharmacokinetic (PK) data to further support dosing in lower-weight pediatric patients, as well as clarification related to an analytical method used in production batch testing. The FDA did not identify any new safety concerns, and the currently approved indication for patients aged 12 years and older remains unaffected.

We have engaged with the FDA to address the clinical pharmacology and batch testing methodology issues outlined in the letter. We held a Type A meeting with the FDA on March 26, 2026, to discuss the Agency's feedback and align on a path forward for resubmission. We expect to receive written feedback from the FDA in the form of meeting minutes, which will inform our next steps, including the timing of a resubmission.

Current status: Type A meeting held on March 26, 2026, awaiting written feedback in form of meeting minutes.

Japan

In March 2026, the MHLW granted marketing authorization for Joenja® (leniolisib) for the treatment of APDS in adult and pediatric patients aged 4 years and older. This approval of Joenja® is the first anywhere globally for children aged 4 to 11.

Current status: Approved in March 2026.

APDS in children 1 to 6 years of age

Clinical Development Progress

Children aged 1-6 years represent the youngest segment of the pediatric APDS population and are often those who stand to benefit most from early intervention. In 2025:

- Enrollment in the global Phase III trial was **completed in April 2025**.
- This trial utilizes a **bespoke pediatric granulated formulation** of leniolisib designed to ensure age-appropriate administration and optimized tolerability.
- The trial evaluates safety, tolerability, and efficacy in **15 patients**, using the same core endpoints leveraged in earlier studies:
  - **Lymphoproliferation** measured by imaging
  - **Immunophenotype correction** through naïve B-cell assessment; and
  - Secondary measures including patient- and caregiver-reported quality-of-life metrics
- As in the 4–11 cohort, this trial includes an **open-label extension period** enabling continued treatment for a minimum of one additional year following the initial 12-week assessment period.

Topline results from this trial are anticipated following database lock and analysis beyond 2025.

Current status: Pending supportive results, we intend to pursue regulatory approvals for this younger age group.

Regulatory Foundations & Global Framework

Both pediatric programs are conducted under EMA- and MHRA-approved Pediatric Investigation Plans, enabling harmonized global development aligned with regulatory expectations for clinical trial design, dosing, safety monitoring, and benefit-risk assessment.

The unified design across the 1–6 and 4–11 studies is intended to ensure that pediatric data packages are scientifically coherent and directly comparable to the adolescent/adult evidence base. The pediatric expansion also supports our broader mission to ensure equitable access to targeted therapy across all age groups living with APDS.

“ Living with APDS while working in healthcare education gives me a unique perspective. I see how awareness shapes outcomes, which is why I'm passionate about teaching others, advancing understanding, and helping ensure patients are recognized, supported and cared for sooner.”

Annie, *Living with APDS*

Annie living with APDS

Leniolisib for primary immunodeficiencies with immune dysregulation (investigational)*

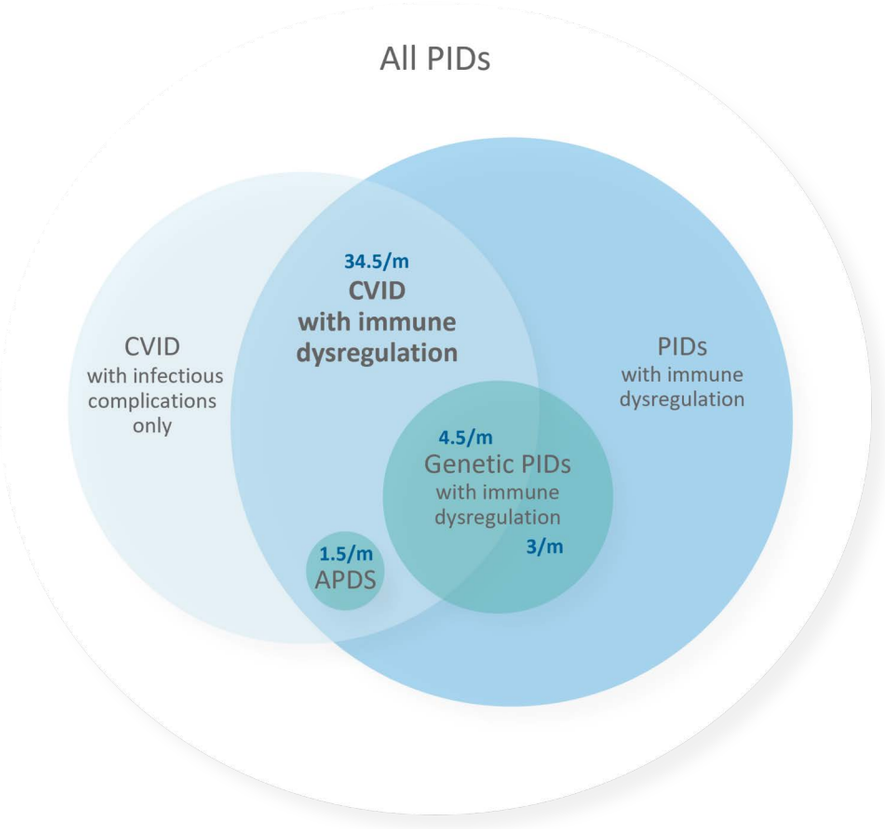
Expanding therapeutic potential to broader immune dysregulation disorders

In 2025, we advanced two Phase II proof-of-concept (PoC) studies evaluating leniolisib beyond APDS:
(i) Genetically identifiable PIDs with immune dysregulation linked to altered PI3Kδ signaling, and
(ii) Common variable immunodeficiency (CVID) with immune dysregulation identified independently of genetics.

Both studies address substantially larger patient populations than APDS and build on the validated PI3Kδ mechanism, a key regulator of immune cell activation and survival. The studies are designed to evaluate safety and tolerability, pharmacokinetics and pharmacodynamics, and exploratory clinical efficacy to inform potential Phase III development beyond APDS. Topline results for both studies are anticipated in the second half of 2026.

Leniolisib has demonstrated clinically meaningful efficacy and a favorable safety and tolerability profile in APDS, with sustained improvements in lymphoproliferation and disease-relevant immunologic biomarkers. We believe the consistent modulation of the PI3Kδ pathway provides a strong scientific rationale for investigating leniolisib in broader primary immunodeficiencies characterized by immune dysregulation.

Expanding into these high-unmet-need immune dysregulation populations represents a central pillar of our pipeline strategy and is supported by regulatory recognition, including Fast Track designation for PI3Kδ-linked PIDs and Orphan Drug Designation for CVID.



Not to scale with population sizes

* Investigational status: Leniolisib is investigational for PIDs and for CVID with immune dysregulation; safety and efficacy have not been established for these uses.

Genetically identifiable PIDs with immune dysregulation linked to altered PI3Kδ signaling

Rationale and patient population

Building on APDS biology and experience, leniolisib is being evaluated as a potential treatment in PIDs where enhanced PI3Kδ pathway signaling drives immune dysregulation. Target conditions include ALPS-FAS[19], CTLA4 haploinsufficiency[20], NFKB1 haploinsufficiency[21], and PTEN deficiency[22], which often present with lymphoproliferation, cytopenias, and/or organ-specific autoimmune/inflammatory manifestations.

Epidemiology context

The combined targeted PID population for this study is estimated at ~7.5 patients per million, compared with ~1.5 patients per million for APDS, reinforcing the opportunity to address larger patient groups if the benefit-risk profile is supportive.

Study design

- **Type:** Phase II, single-arm, open-label, dose-range–finding study (~12 patients).
- **Key eligibility:** one of the following genetic mutations linked to PI3Kd signaling: SOCS1, PTEN, CTLA4, NFKB1-GOF, FAS (germline or somatic) or RALD (somatic NRAS or KRAS) plus at least one clinical symptom of: Cytopenia, splenomegaly, lymphadenopathy or GLILD.
- **Objectives:** Safety/tolerability, PK/PD, exploratory clinical efficacy; to inform a potential Phase III program.
- **Site & leadership:** NIAID/NIH; PI: Gulbu Uzel, M.D.; Co-I: V. Koneti Rao, M.D., FRCPA (ALPS Clinic).
- **Milestones:**
  - First patient dosed October 29, 2024.
  - FDA Fast Track designation granted February 2025, enabling enhanced U.S. regulatory interaction
- **Timing:** Top-line results expected in the second half of 2026.

CVID with immune dysregulation

Rationale and patient population

CVID is the largest symptomatic PID group; an estimated ~50% of patients exhibit immune-dysregulation manifestations — such as splenomegaly/lymphadenopathy, autoimmune cytopenias, interstitial lung disease (ILD), and enteropathy — that are associated with higher morbidity and mortality than primarily infectious phenotypes. The unmet need for these patients is high with an 11 times higher risk of early death than CVID patients who do not have immune dysregulation[23] and there are no approved or effective treatments. Many patients display APDS-like clinical and immunologic features, supporting shared pathophysiology and the rationale for PI3Kδ modulation with leniolisib.

Epidemiology context

The targeted CVID with immune dysregulation prevalence is ~39 per million, representing a substantially larger opportunity to address unmet need if clinical benefit-risk is demonstrated.

Regulatory engagement and study initiation

We engaged with the FDA and EMA prior to launch and initiated the Phase II study in March 2025.

Study design

- **Type:** Phase II, single-arm, open-label, dose-range–finding, multi-center study (~20 patients, ≥12 years).
- **Key eligibility:** CVID diagnosis with lymphoproliferation and ≥1 additional immune-dysregulation manifestation (e.g., ILD, autoimmune cytopenias, enteropathy).
- **Objectives:** Safety/tolerability, PK/PD, exploratory clinical efficacy to guide Phase III.
- **Sites & leadership:** Lead Investigator: Jocelyn Farmer, M.D./Ph.D. (Lahey Hospital & Medical Center / Beth Israel Lahey Health), with additional sites in the U.S., U.K., and EU.
- **Milestones:** First patient dosed in March 2025.
- **Timing:** Top-line results expected in the second half of 2026.

"Trying to get people to understand that you might struggle with one thing at one point, but then it's something else at a different time,...That it still falls under the umbrella of APDS. It's not that you have a million and one different things. It's all caused by the same thing."

Patient living with APDS

Napazimone (KL1333) for primary mitochondrial disease (investigational)*

Advancing a pivotal program in mtDNA-driven primary mitochondrial disease

In 2025, following the completion of the acquisition of Abliva AB, KL1333 (now napazimone) became a core component of our rare disease pipeline. The transaction, initiated in late 2024 and concluded with our full ownership in June 2025, strengthened our presence in mtDNA-driven primary mitochondrial disease (PMD) and added a late-stage clinical asset with the potential to address significant unmet medical need.

During 2025, we advanced the pivotal FALCON study, a global, randomized, placebo-controlled trial, designed to support regulatory approval, evaluating napazimone (KL1333) in adults with genetically confirmed primary mitochondrial disease (PMD) experiencing severe fatigue and myopathy. The study builds on a positive blinded interim futility analysis completed in 2024, prior to the acquisition, in which both FDA-agreed alternative primary endpoints passed futility and the Data Monitoring Committee recommended continuation. In 2025, we initiated Wave 2 of the study, expanded global site activation, and continued patient recruitment, maintaining momentum toward the anticipated late 2027 readout.

Napazimone (KL1333) is an oral modulator of NAD^+/NADH designed to address the impaired cellular energy production characteristic of mtDNA-driven multisystemic PMD. The program targets clinically meaningful, patient-prioritized manifestations of disease, including myopathy and fatigue that significantly affect daily functioning and quality of life.

Study design and endpoints

FALCON is a pivotal study (3:2 napazimone vs placebo) enrolling approximately 180 adults for 48 weeks of twice-daily dosing (total daily dose 50–100 mg). The trial includes two alternative primary efficacy endpoints:

1. PROMIS® Fatigue Mitochondrial Disease Short Form; and

2. 30-second Sit-to-Stand test

of which one must be positive to support a potential marketing application.

A positive blinded interim futility analysis conducted following the first wave of recruitment confirmed acceptable safety to date and demonstrated that both primary endpoints passed futility, indicating potential for benefit at final analysis and supporting progression to the second recruitment wave.

Regulatory designations and addressable population

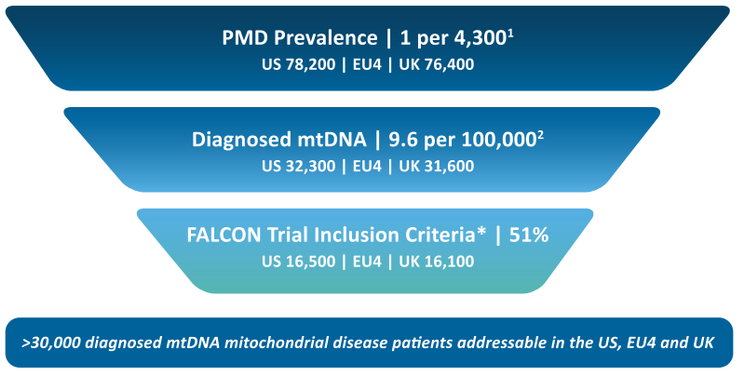
Napazimone (KL1333) has received U.S. Fast Track designation for PMD and Orphan Drug Designation in both the U.S. and EU. Across the U.S., EU4 (France, Germany, Italy, Spain), and the U.K., more than 30,000 diagnosed patients with mtDNA-driven PMD are potentially addressable if development is successful and regulatory approvals are obtained.

Next milestones

Pivotal read-out from FALCON is anticipated in late 2027. Subject to clinical outcomes and health authority interactions, regulatory submissions could follow thereafter.

At-a-glance

- **Indication:** mtDNA-driven primary mitochondrial disease (PMD) (adults) — severe fatigue & myopathy.
- **Mechanism:** NAD^+/NADH modulation (oral).
- **Trial:** FALCON pivotal trial (randomized, placebo controlled; ~180 patients; 48 weeks). Continued global site activation and enrollment-controlled; ~180 patients; 48 weeks).
- **Endpoints:** PROMIS® Fatigue (PMD Short Form); 30-sec Sit-to-Stand (alternative primaries).
- **Interim analysis:** interim futility passed on both endpoints
- Designations: Fast Track (U.S.); Orphan Drug Designation (U.S./EU).
- **Population:** >30,000 diagnosed mtDNA-PMD patients potentially addressable across U.S., EU4, U.K. (if approved).
- **Next milestone:** Readout expected late 2027.



* Investigational status: napazimone (KL1333) is investigational; safety and efficacy have not been established.
*mtDNA mutations including m.3243A>G, large scale mtDNA deletions, m.8344A>G and other pathogenic mtDNA variants causing multisystemic disease
1. Gorman, G.S. et al. Prevalence of nuclear and mitochondrial DNA mutations related to adult mitochondrial disease. Ann Neurol 2015 May;77(5):753-9.
2. Gorman, G.S. et al. Mitochondrial Diseases. Nat. Rev. Vol 2, 1-22 (2016).

Sustainability

Since 2023 we have taken important steps to develop and implement our sustainability program. We remain committed to delivering on all material Environmental, Social and Governance (ESG) topics selected for Pharming, with our goals and progress structured into four sections:

General information
covering our sustainability strategy, double materiality assessment, stakeholder engagement, governance and connection to our corporate strategy.

Environmental
focusing on climate change mitigation and adaptation.

Social
addressing, amongst others, employee well-being and engagement, employee training and skills development, human rights, patient safety and product quality, and access to products and services.

Governance
covering business ethics and animal welfare.

General information

We launched our sustainability program in early 2023, responding to international and national regulatory developments, embarking on a learning journey for ourselves to understand what sustainability means to Pharming. Since 2023, sustainability-related regulation has continued to evolve rapidly, especially relating to climate change. At present Pharming does not meet existing, or proposed, thresholds for mandatory disclosures for international sustainability regulations, such as those of the European Union (EU) or Securities and Exchange Commission in the USA.

Throughout 2025, we continued to leverage the work already invested over the past three years and continued to shape our sustainability program towards delivering the benefits of sustainability, beyond compliance. We remain dedicated to upholding an impactful (materially and financially) sustainability program that is consistent with our company's strategy, vision and mission and size. We also improved our disclosures on multiple material topics and we will continue to investigate opportunities for further improving our reporting to our stakeholders. Our progress over the previous three years is summarized in the table on the right, and follows a maturity journey of ‘definition, integration, and implementation’.

As we look forward to 2026 and beyond, we endeavor to bring more metrics to our performance measurement in sustainability, more accurate data, further improved collaboration internally and externally and better communicate how we deliver on sustainability topics.

2023	2024	2025
Definition	**Integration**	**Implementation**
• Defined high level plan for developing Sustainability strategy and function • Stakeholder analysis completed • Double Materiality Assessment completed • Gap assessment and organizational readiness analysis completed • Integration approach defined, with prioritization	• Implemented sustainability governance • Deployable roadmap for material topics developed • Alignment with corporate values and mission • Board approved metrics for mandatory topics and target setting for Climate Change • Designed processes and internal controls for reporting	• Material topics maintained from an updated DMA • Monitoring of and adaptation to regulatory requirements • Defined and implemented measurement methodologies for key metrics on Climate Change and Animal Welfare • Emissions data collection continued and Scope 1 and 2 decarbonization actions progressed • Tracking and reporting approach of animal welfare incidents unified internally

Our stakeholders

We recognized five main stakeholders that Pharming should engage with closely within the context of our sustainability program:

- **Patients**
  Patients are the most important stakeholders for Pharming receiving our healthcare services, reflecting Pharming's purpose to serve the unserved rare disease patients.
- **Healthcare professionals**
  Healthcare professionals are also key stakeholders for Pharming achieving optimal healthcare and building trust.
- **Pharming employees**
  Recognizing employees as key stakeholder for any organization is essential for building and further shaping a sustainable organization.
- **Pharming management**
  Pharming management is an important stakeholder because of their decision-making authority and their role in driving innovation and adaptation within Pharming. Their involvement and support are critical for Pharming's success and sustainability.
- **Investors**
  Investors are essential for maintaining financial stability, driving growth, and creating sustainable long-term value for all stakeholders.

These stakeholders have a significant impact on Pharming's sustainability program and strategy, and Pharming has a significant impact on these stakeholders. Further information on our ESG stakeholder dialogue policy can be found on our website.

Our material topics

During 2024, Pharming conducted a double materiality assessment (DMA) relating to our operations and value chain. We identified and prioritized environmental, social, and governance matters that are most relevant for Pharming.

These matters are summarized in the table below and reflect (i) Pharming's most significant impacts on people and the environment, and (ii) the most significant sustainability-related risks and opportunities affecting Pharming.

In line with our commitments last year, we conducted the same process for our operations and value chain in 2025. Some key considerations were our supplier base, our business activities, our stakeholders, and latest policy and scientific developments. Whilst we recognize changes that have occurred, such as the acquisition of Abliva AB, these have not resulted in significant changes to our operations or value chain, across environmental, social and governance topics. Therefore, we identified no significant changes to our material topics or thresholds to include new topics and concluded that the results of the 2024 DMA remain valid, and remain the focus of our sustainability program.

As Pharming continues to grow and evolve, we will likely need to update our double materiality assessment more frequently to reflect more frequent and significant updates to our operations and value chain. However, at this stage in our maturity, we acknowledge that we need to find a balance between identifying or assessing issues and making improvements on the most important topics already identified.

With this in mind, we will update our stakeholder dialogue policy in 2026 to reflect a simplified double materiality assessment process and stakeholder dialogue approach, that we believe will still capture any material changes whilst allowing us to focus on action with the resources available. The simplification will be a shift to biennial frequency for conducting our full double materiality assessment, with alternating years using a simplified approach that uses the expertise of the ESG Steering Committee to identify any significant changes, based upon qualitative assessments.

Theme	Material topics
Environmental	Climate change
Social	People and Culture
	Patient safety and product quality
	Access to products and services
Governance	Business ethics and human rights
	Animal welfare

Connection to our strategy

Pharming's strategy is presented in the section of this annual report titled Our strategy. Our Sustainability goals and objectives are closely related to our company's overall strategy, purpose, vision and mission. We aim to minimize the risk impact of Pharming's activities toward our stakeholders, and to identify and manage sustainability risks that could be an issue for Pharming. Secondly, we aim to make positive impact and capture opportunities that are mutually beneficial to Pharming and our stakeholders.

Our core values are also the foundation of our sustainability program. We put patients at the heart by following through on climate and health, we act with urgency by setting science-based targets, we make it simple in our communication with stakeholders, and we get it done, reporting on our achievements transparently.

It strengthens our company when we manage impacts, risks and opportunities of our material topics effectively. By embedding sustainability into our strategy, we create long-term value for our stakeholders.

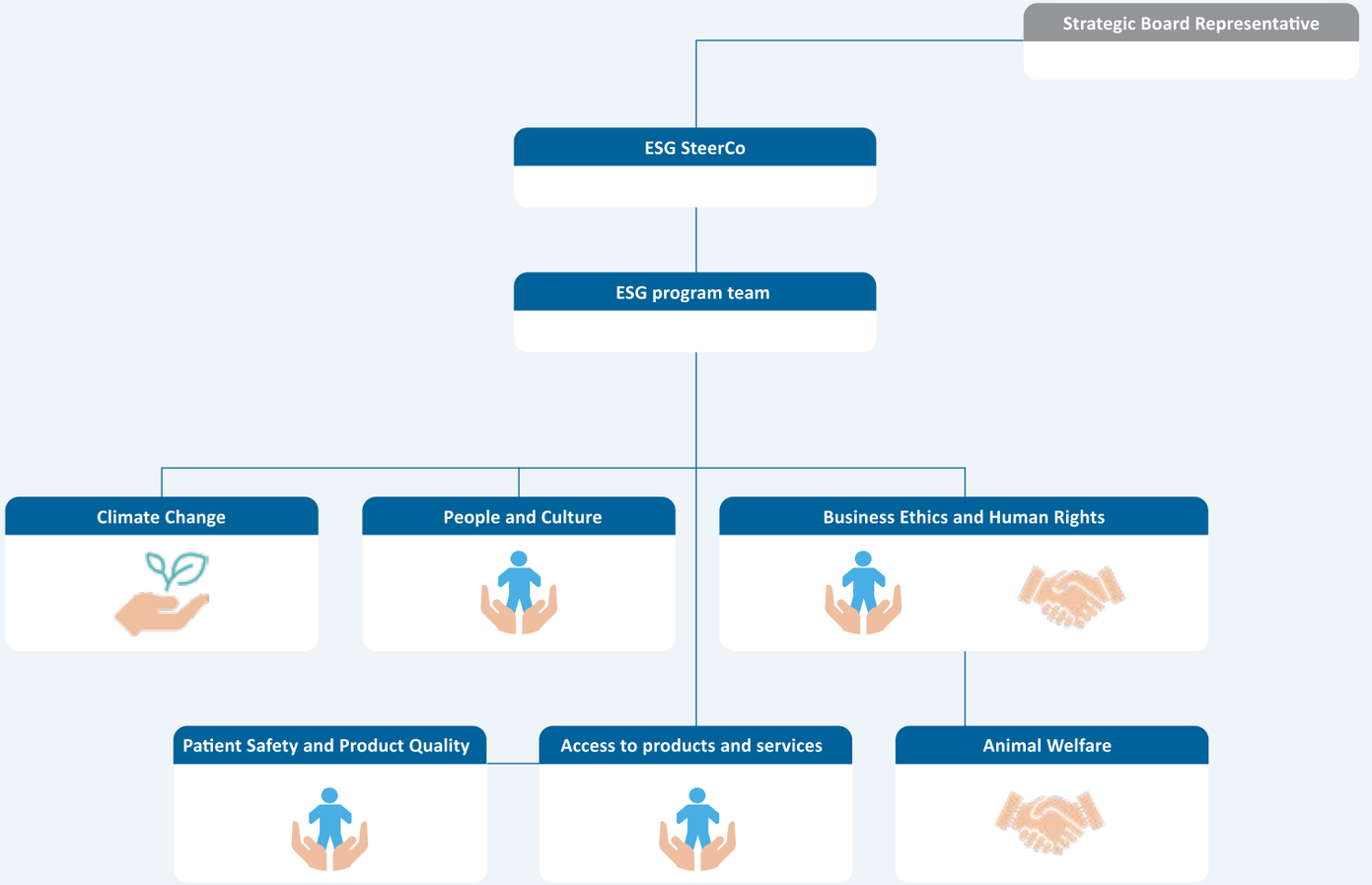
Sustainability governance

Pharming's sustainability program is managed by our sustainability Lead, who reports to the ESG Steering Committee on progress, issues and risks. The ESG Steering Committee, with three members of the Executive Committee (CLCO, CFO and COO), provides advice and oversight in quarterly meetings to the Sustainability Lead to ensure the program achieves its aims in synchronization with other strategic and business goals. The sustainability program team is represented in the ESG Steering Committee by the Sustainability Lead, who monitors and coordinates the activities of the six working groups.
The Board of Directors designated one of its non-executive members as Strategic Board Representative, who acts as the ultimate sponsor of the sustainability program.

Throughout the year 2025 this governance structure was applied and is also intended to be retained for the year 2026. Without Corporate Sustainability Reporting Directive (CSRD) compliance, it is not a regulatory necessity to have such a governance structure implemented, but we see the value in delivering on sustainability beyond compliance, and to ensure we deliver we need strong governance. Whilst we have streamlined the governance process, we do not lessen the cross-functional transparency and accountability that our governance structure affords us, maximizing our potential for improvements and minimizing our and our stakeholders' risks.

Additional information regarding the overall corporate governance at Pharming can be found in the section of this report titled Corporate Governance.

Governance structure for sustainability



Environmental

Climate Change is a global environmental issue, and at Pharming we acknowledge that we have a role to play in abating global greenhouse gas (GHG) emissions and reducing our environmental impact through our direct and indirect operations. We recognize that as a company that intends to continue a growth path, delivering on our vision and commitment to serve the unserved rare disease patients, we will need to ensure we can achieve this with low emission trajectories. It is a challenge that is not unique to our company, but it is nonetheless a challenge that requires commitment and collaboration across Pharming and our value chain, investment in decarbonization and a shared value perspective that leads to effective decision-making for Pharming and our stakeholders.

We have been on a journey since 2023, to understand which activities in our business and value chain generate emissions, and how we can improve the measurement of those emissions and reduce these. In 2025 we have developed a solid understanding of our Scope 1 and 2 emissions, and how we can reduce these emissions in line with the science-based targets that we have adopted.

Our Scope 3 emissions have been measured across all material GHG emissions Scope 3 categories, however, there is still a degree of uncertainty regarding the calculations made, whether that be as a result of spend-based calculations, or emissions factors that are not specific to our operations and value chain.

This is part of our journey, dealing with uncertainty about emissions and climate change. Considering this uncertainty, to ensure we remain aligned to our mission and values, we exercise the precautionary principle, as is best practice, in calculating our emissions. For example, when using spend based emissions factors we use the supply chain emission factors with margins, even if in some cases transport and distribution are included in our purchased goods or services.

Our emission calculation methodology was developed during 2025, in accordance with the principles and guidance of the Greenhouse Gas Protocol (GHGP) and guidance from other standard-setting organizations such as the Science Based Targets initiative (SBTi). We will continue to maintain alignment with these frameworks going forward.

In 2024, Pharming adopted the following Climate targets, which are in alignment with the goals of the Paris agreement. We stand by these targets and can confirm that the baseline year we have established is an average of 2022-2024 emissions inventories. We set a multi-year baseline due to the early stage of our emissions data maturity combined with our growth path as a company, using this approach enables us to reflect our business activity fairly and accurately ensure the scientifically calculated reductions remain possible alongside anticipated business growth.

Short-term targets:

- Reduce absolute scope 1 and 2 GHG emissions 42% by FY2030 from a FY2022-2024 base year
- Reduce absolute scope 3 GHG emissions by 25% by FY2030 from a FY2022-2024 base year

Long-term targets:

- Net Zero emissions across Scope 1, 2 and 3 in 2050

In 2025 we recognized the need to implement emission management software to better understand our scope 3 data and enable us to manage the emissions of our supply base in a cost effective and scalable manner. The new software in 2026 may bring changes to our emissions profile, through improved estimations. If any updates to our baseline are required it will be carried out in accordance with best practice from the Greenhouse Gas Protocol, and in line with our own emissions calculation methodology that can be found on our website. Any changes to our methodology will be clearly and transparently communicated in next year's Annual Report.

Emissions profile

We are proud to be able to share the first publication of our first greenhouse gas emissions inventory, using the Greenhouse Gas Protocol as our reporting framework. The profile covers the previous four years of emissions at Pharming. Like many organizations we have a significant proportion of our emissions in Scope 3. This proportion has stayed relatively stable over the past four years and reflects our historic and current business strategy and operations accurately and fairly.

Action plan and progress to date

In 2025 we conducted a review of historic actions taken to reduce GHG emissions, potential actions and actions being implemented, developing an understanding of how our emissions have changed over time, and where we can reduce our emissions today and in the future.

We intend to build on our action plan, and accelerate our decarbonization in the future, in a cost-effective manner and within regulatory limitations whilst allowing our company to continue on its path for growth. A clear trajectory will be developed with new software-based tooling in 2026.

With these actions we believe we can 'decouple' our emissions profile from our financial performance, enabling a sustainable and prosperous future for Pharming and our value chain that continues to serve our vision and mission. We have evidenced this trend already, with our significant growth in sales, and a year-on-year reduction in emissions.

Scope 1

In scope 1 our emissions originate principally from stationary combustion (natural gas in facilities) and mobile combustion (fleet vehicles) sources, with minimal fugitive and process emissions identified. We are investigating how we can transition to a low carbon fleet across the Company, taking into account local contexts on energy options, public transportation systems and our employees needs.

For our emissions from our facilities, as tenants of the majority of our facilities, we are working with the property owners to implement improved energy data monitoring, via smart metering. Furthermore, we are investigating ways to reduce natural gas usage via energy efficiency measures such as improved insulation and ways to ‘green’ our sites via

Measured in Tons of Carbon Dioxide equivalent (tCO^2e)

Emission categories[†,‡,§]	2025	2024	2023	2022
Total Scope 1 Emissions	925	1.094	1.117	865
Total Scope 2 Emissions (location-based)	461	490	535	547
Total Scope 2 Emissions (market-based)	282	398	436	326
Total Scope 3 Emissions	15.440	16.183	16.442	13.519
Total Emissions (market-based)	**16.647**	**17.675**	**17.995**	**14.710**

[†] Environmental data for the current year is based on actual performance data from January to October, with estimates for November and December, unless indicated otherwise. Any significant deviations from actuals data against these estimates will be restated for 2025 in our sustainability report the following year. 2022, 2023 and 2024 reflect full year actuals data.
[‡] Data from the Pharming acquisition, Abliva, is included from the date of acquisition in February 2025.
[§] Pharming discloses Scope 3 emissions categories that are considered material in 2025. Further information can be found in our methodology documentation.

electrification and renewable energy contracts. Out of six sites we have three sites with natural gas consumption, one site with district heating and two with all energy via electricity, requiring slightly different approaches.

Scope 2

In scope 2, we have a similar aim as in scope 1 with regards to improved energy efficiency, as a key strategic lever for meeting our targets, alongside switching to renewable or low carbon energy sources.

Regarding energy efficiency, we have been working hard on embracing the principle of sufficiency in our operations. With colleagues in our Research and Development laboratory in Leiden demonstrating progress by achieving our first MyGreenLab certification in 2025, achieving the top grading of 'Green'. The certification covers a broad range of environmental sustainability practices, from waste management to energy usage and the circular economy. We will continue to share these best practices across our other operations sites in the coming months and years, further improving our environmental sustainability performance .

Our progress on scope 2 emission reductions has been significantly strengthened by switching to renewable electricity contracts at one of our sites in 2024 and a further two sites in 2025. We are working hard with our facilities partners to make this transition at the two remaining sites, with the intention of having 100% renewable energy at all of our facilities.

Scope 3

A significant proportion of our emissions exist in Scope 3, including the products and services we purchase. Consequently, we recognize that supplier collaboration will be key to ensuring we can reduce our climate impact in line with our adopted Science Based Targets.

We have refined our emissions calculation methodology to ensure it is consistent, transparent, and scalable. Whilst our sustainability reporting in 2025 is on a voluntary base and not subject to audit, we are committed to maintaining high-quality data that supports credible and future-proof climate disclosures. Alongside these improvements, we continue to enhance the accuracy of the GHG inventory to ensure our targets remain both realistic and achievable.

Lastly, we are working with internal and external stakeholders to develop and further evaluate the impact of our decarbonization initiatives, prioritizing them for their emission abatement potential, financial impact to Pharming, and ease to implement. We engaged several suppliers in 2025, prioritizing our highest emission suppliers, and have begun discussions on how we can better measure and reduce our emissions with them.

With these ongoing improvements we are preparing ourselves for a low carbon and sustainable operation at Pharming and in our value chain, whilst ensuring we can continue our mission of serving the unserved rare disease patient.

Eli living with APDS

Social

Pharming is continuing its work on several material topics in the social pillar, addressing our key stakeholders of our own employees, and workers in our value chain.

People and culture

In 2025, we adapted our approach in line with regulatory developments, and continued to deliver improvements on the social dimension of sustainability at Pharming.

Our approach

Pharming's success depends on attracting and retaining specialized biotech talent who deliver results with impact. Our values — We put patients at the heart, We act with urgency, We make it simple, We get it done — define how we work and what we reward. We foster a high-performance environment where employees from diverse backgrounds contribute meaningfully, supported by a culture of recognition that celebrates strong performance against stretched objectives. The Dutch Works Council, established in 2023 with nine elected members across all departments and locations, formalizes employee voice in company decision-making through structured dialogue with management.

Employee training and skills development

We invest in continuous professional development to build the specialized expertise required in biotech. In 2025, we simplified our performance management approach to create clearer links between corporate objectives and individual goals. Three formal reviews annually, supplemented by ongoing feedback conversations, keep development on track and reward strong performance.

Employee engagement

In 2025, we introduced a "Work, Grow, Thrive" framework built around nine moments that matter in the employee experience: how employees contribute and create value (Work), develop capabilities and advance (Grow), and sustain wellbeing and build connections (Thrive).

We use multiple channels to understand employee experience and drive engagement. Our annual pulse engagement survey provides enterprise-wide insights into what's working and where we need to improve. Performance conversations occur three times annually and serve as structured touchpoints for feedback and development dialogue. Together, these mechanisms create regular opportunities for employees to share their perspectives and for leadership to respond.

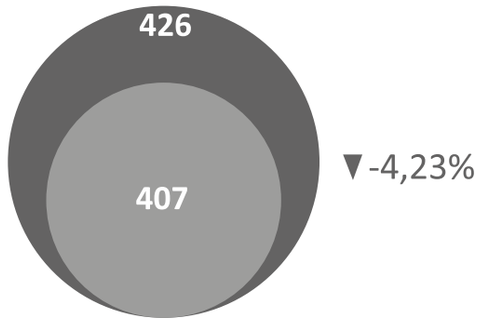
As we strengthen our people practices, we're focused on ensuring these listening channels translate into meaningful action that improves the employee experience across all nine moments.

Employee statistics

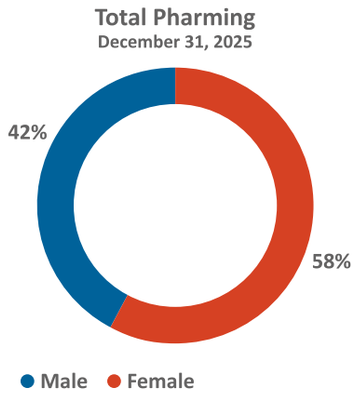
Throughout 2025 we have undergone several organizational changes, reflected in our employee statistics. These changes put us in good stead to continue our mission at Pharming in the coming years.

Employee headcount at the end of the year

407 (2024: 426)



Gender representation



Headcount by region

	2025	2024
The Netherlands	215	231
Australia	4	2
France	14	14
Germany	8	7
Italy	2	2
Spain	1	1
Turkey	1	1
United Kingdom	20	16
United States	140	152
Sweden	1	-
Norway	1	-
Total	**407**	**426**

	2025	2024
Research and development	131	139
General and administrative	115	133
Marketing and sales	112	111
Production	49	43
Total	**407**	**426**

Human rights

Pharming operates today in areas of low risk for human rights issues, but as we grow as an organization, entering new markets we recognize that we need to be prepared to identify and mitigate any risks or issues that could arise.

Pharming recognizes that any potential impact on workers in the supply chain (including contractors and suppliers) and their exposure to forced labor and child labor should be identified and addressed to rectify an issue and prevent it from occurring again. In 2024, we published our Modern Slavery and Human Trafficking Statement, which can be found on our corporate website.

We have also drafted a Human Rights statement that is under internal review. We recognize that these statements are not the end of our improvement path. We are investigating how we can use sustainability software and platforms, for example EcoVadis, to support us with identifying and managing any potential human rights issues in our supply chain today or in the future, to demonstrate how we are enforcing these statements.

Patient safety and product quality

Consistent with our company's purpose and embedded in our core values is the premise that we put patients at the heart of everything we do. This reinforces our commitment to patient safety and product quality. Ensuring the quality of products and patient safety is an objective we commit to by developing robust production processes and delivering high quality products. Risk assessments are inherently part of the regulations, the clinical programs, the regulatory review process, and our internal processes and procedures.

Good Clinical Practices (GCP), Good Pharmacovigilance Practices (GVP), Good Manufacturing Practices (GMP) and Good Distribution Practices (GDP), which, along with the numerous national and regional regulatory laws and standards, are the foundation of our Quality Management System policies and procedures.

Our Quality Assurance department is involved in all quality-related matters, reviews and approval of quality-related documents and conduct of internal audits to monitor the compliance with the principles of GMP, GDP, GVP and GCP and Pharming's policies and procedures. The Health and Youth Care Inspectorate (IGJ) conduct periodic inspections of all medicine manufacturers in the Netherlands to assess whether these comply with GMP guidelines. In June 2025, following an inspection, the IGJ concluded that the processes used by Pharming are compliant with Good Manufacturing Practice (GMP). To ensure we maintain the high standards achieved last year, we ensure continuous improvement of our processes, our products and Pharming as a whole.

We carefully select and manage a supplier and vendor network which includes Contract Manufacturing Organizations (CMOs), Wholesalers and Distributors, Contract Laboratory Organizations (CLOs), Clinical Research Organizations (CROs), Clinical Sites, and Pharmacovigilance Service Providers. Our external audit program, and supplier assessment and (re)qualification processes together with the use of Master Service Agreements, Quality Assurance Agreements and Safety Data Exchange Agreements underpin this and ensure our commitment to patient safety and product quality is maintained when we outsource. As part of our responsibility as a clinical trial sponsor, trial sites and investigators are assessed prior to selection, monitored throughout the trial by our qualified external Clinical Research Organizations, and audited by Pharming's Quality Assurance department. This ensures the ethical and safe conduct of the trial, protecting our patients' rights and safety.

Patient safety

To manage, support and fulfill our obligations and commitment to the safety of our patients, Pharming has a Global Pharmacovigilance department. This is responsible for the global safety surveillance of Pharming's products through the monitoring of safety reports, which are received worldwide from unsolicited and solicited sources. The department works with qualified contract partners who perform delegated pharmacovigilance activities in their territory.

All safety reports, for product complaints and adverse events/ safety concerns, are entered into our global safety databases to ensure we can assess the full safety profile of our products and respond to any safety signals accordingly. We follow all applicable laws for providing reporting routes associated with pharmacovigilance and train our employees and contract partners in the required processes and routes to report safety concerns to us, in our onboarding program and regularly throughout the year through our training program, and with events such as our 'Compliance Day' held in November 2025

Our pharmacovigilance system and its components are fully described in our Pharmacovigilance System Master File (PSMF). To maintain its accuracy and relevance, we mandate a review and update at least once per quarter, and we successfully completed this for 2024.

Further information can be found on our website as to how to report any adverse events or product safety concerns.

Product quality

The processes, from product manufacturing to the delivery to the end user, are established and maintained to ensure product quality.

The manufacture, according to defined specifications, for all relevant materials, intermediates and final products, and the quality control testing are outsourced to qualified and licensed CMOs and CLOs. GMP is applied throughout. Critical process parameters and all analytical measures are validated and re-validated if major changes occur. Production equipment, utilities and instruments are well maintained, and critical equipment and instruments are calibrated and qualified.

The release of finished product is completed by the Pharming Qualified Person (QP). The QP checks that the GMP quality system is adhered to during all production steps and that the manufactured product meets the required specifications.

Transport of the packaged drug product to wholesale license holders and marketing authorization holders is performed by a qualified transporter. The distributors are responsible to ensure that counterfeit control measures are taken and that product recipients are authorized to receive medicinal product.

Pharming has processes in place to record, investigate and resolve product quality complaints, to evaluate and initiate recalls should they be required, to describe the process for returned products and to ensure no falsified product can be introduced in the Pharming supply chain.

Access to products and services

Pharming serves the unserved rare disease patients through our innovative medicines. It is our mission to increase access to patients, amongst others through license extension indications to pediatric populations, and exploring other potential disease indications.

We work with government, payers and regulators to provide as broad and sustainable access to our medicines, across the globe as we can. However, changing regulatory landscapes and policies can heavily impact our ability to provide our medicines to all across the globe. Nonetheless, our ambition to grow our positive impact through providing innovative medicines to rare disease patients globally, remains steadfast. A specific example of how we continue our work on medicine access is by providing our products to eligible patients in the U.S., who qualify for the copay savings program or our Patient Assistance Program in the event coverage cannot be altered.

Patients can also access our products through participation in one of our clinical trials. All Pharming sponsored clinical trials are approved by regulatory authorities and ethics committees and conducted in strict accordance with Good Clinical Practices.

Further information on our authorized medicines can be found in the Commercial portfolio review section of our Annual Report.

Governance

Pharming places governance and business integrity at the core of our culture, as it sets the foundation of trust and is, therefore, an essential part of the way we work in a highly regulated industry. We firmly believe that successful, sustainable business is ethical business. In the following section we share how we are living up to good governance practices, across business ethics and animal welfare in particular.

Business ethics

We expect all Pharming management, employees, officers and contractors to conduct any business related to Pharming according to our principles and ethical standards, as described in our global Code of Conduct that can be found in the Corporate Governance section of our corporate website. The Code of Conduct was reviewed and updated in 2025.

Pharming has a whistleblower policy in place, referred to as Alert Reporting and Investigation Procedure, which can be found in the Corporate Governance section of the Company's website. This Alert Reporting and Investigation Procedure describes the reporting and investigation procedures for suspected breaches of the Pharming Code of Conduct, policies, or any law or regulation applicable to the Pharming organization. The procedure applies to all Pharming entities in all countries. Pharming has a strict non-retaliation policy.

Based on our solid long-term strategy and business integrity framework, we have introduced new and enhanced policies in 2025, accompanied by more operational procedures, covering a variety of corporate and healthcare compliance matters.

The most salient improvements are new policies and standard operating procedures in respect of social media, sanctions and export controls, medical engagement, grants and donations and cross-border meetings and events.

The introduction of these policies and procedures has been accompanied by a training program, targeted at audiences selected according to a risk-based approach, ensuring that those who need to know follow the trainings. Furthermore, we ran our Compliance Day event in 2025, which brought together over 200+ colleagues from across the organization to communicate updates to policies, broadening and deepening our culture of business integrity.

To support the reporting of suspected breaches of the Pharming Code of Conduct, policies, or any law or regulation applicable to the Pharming organization, a Speak Up! framework was launched globally in 2025, providing multiple channels that can be used for reporting and ensuring strict confidentiality, strengthening our ability to identify and respond to any compliance issues.

Regarding improvements on the transparency of how we identify and mitigate any potential bribery and corruption issues, our internal methodology for anti-bribery and anti-corruption related activities was formally endorsed by the Pharming Board of Directors in 2024. Following this, we can share for 2025 the status of reports on bribery and corruption at Pharming below.

Corruption and bribery reported by Pharming	Number of convictions in 2025	Total amount of fines in 2025
	0	0

We take privacy and data protection seriously. Compliance with the General Data Protection Regulation (GDPR) and other privacy regulations remains a priority for Pharming.

In 2025, Pharming maintained a structured and risk-based privacy and data protection program aligned with the GDPR, other privacy regulations and applicable local laws, overseen by an independent Data Protection Officer and supported by a dedicated Privacy Team.

Key focus areas included strengthening governance, updating and maintaining Records of Processing Activities across core functions and conducting Data Protection Impact Assessments for higher-risk processing activities such as Pharmacovigilance, Early Access and Compassionate Use programs, third-party platforms, and emerging technologies.

We actively monitored and managed privacy risks. Seven personal data breaches were recorded in 2025; most were assessed as low risk and therefore notification to the relevant Data Protection Authority and affected data subjects were not required. One high-risk incident was reported to the Dutch Data Protection Authority in accordance with GDPR requirements, and appropriate mitigation measures were implemented.

Privacy awareness and training activities were reinforced in the second half of the year through renewed e-learning and company-wide compliance initiatives. Regulatory developments, including cross-border data transfer mechanisms and evolving EU digital legislation, were continuously monitored to ensure ongoing compliance and future readiness.

Animal welfare

Our proprietary transgenic manufacturing technology platform is the foundation upon which we started our company. We have developed a unique and scalable, current Good Manufacturing Practices (cGMP), validated methodology for the production of c1-esterase inhibitor (recombinant human protein). By law, the use of animals to produce (recombinant) therapeutic proteins is only allowed when production methods that do not make use of an animal model are unavailable, as is the case for Pharming as well.

Our manufacturing process utilizes transgenic animals, specifically rabbits, to produce this human recombinant protein in their milk. This process enables the production of the protein in the milk of the animals without the animals being subjected to unnecessary discomfort or being altered in other aspects of their biology.

We raise the rabbits at specialized and regulator approved facilities with high standards of animal husbandry, welfare and security. These facilities further incorporate protections against contamination from the outside environment.

All institutions using animals for research or production of medicinal products must comply with EU and national regulations regarding experimental animals. Before commencing any activity involving animals, a project license application must be approved by the Dutch regulatory ethics committee for the Netherlands, and by the Ministry of Higher Education & Research and the Ethics Committee in Animal Experimentation in France.

We have a comprehensive Policy on the Use of Animals, which not only enforces strict regulatory control over our transgenic biological materials and animals, with regard to the environment and particularly the continuous well-being of our animals, but also emphasizes our commitment to treat animals respectfully, refining procedures and reducing discomfort and stress as much as possible.

Pharming ensures that the “3 R principles” (Reduction, Replacement and Refinement) as outlined by EU legislation are considered prior and during the course of an experiment (such as the routine production of therapeutic protein), which includes the care, handling and treatment of animals meeting their species-specific needs as much as possible.

In 2025, we advanced our commitment to animal welfare monitoring by building on the groundwork laid in 2024. Following the establishment of a dedicated working team and the endorsement of an entity-specific metric by the board in 2024, detailed data collection on animal welfare issues commenced in 2025.

Issues that may have affected the welfare of our rabbits were reported to the respective animal welfare body structures at Pharming in each country, in line with European legislation and the Instantie voor Dierenwelzijn (IvD) in the Netherlands and Structures chargées du Bien Être des Animaux (SBEA) in France. Each Animal Welfare Body consists of a minimum of one qualified scientist, two biotechnicians and the designated or the company veterinarian.

In 2026, the baseline data will be evaluated to enable consistent tracking and reporting and if needed the established metric will be refined. As part of a broader effort to prevent any re-occurrence of issues we have brought together the teams across our sites for a lessons-learned session on animal welfare in 2025.

We received one outstanding critical issue from the competent Dutch regulatory authority, the Nederlandse Voedsel- en Warenautoriteit (NVWA) the Dutch Food and Consumer Product Safety Authority. A Corrective and Preventative Action Plan (CAPA) is in place and actions are being executed.

Financial performance

Outlook 2025

At the beginning of 2025, we announced performance guidance for the year and anticipated:

- Total revenues between US$315 million and US$335 million (6% to 13% growth), with quarterly fluctuations expected.
- Total operating expenses not to exceed the prior year pre-Abliva impact, and a preliminary estimate of US$30 million in Abliva-related operating expenses, including research and development and non-recurring transaction and integration expenses.
- Significant progress finding additional APDS patients in the U.S., supported by VUS resolution efforts and subsequently converting patients to paid Joenja® (leniolisib) therapy.
- Increasing ex-U.S. revenues for leniolisib — driven by funded access programs and commercial availability in the U.K.
- Progress towards additional regulatory approvals for leniolisib for APDS patients 12 years of age or older, and submitting regulatory filings in Japan and for pediatric label expansion in key global markets.
- Advancing the two ongoing Phase II clinical trials in PIDs with immune dysregulation to significantly expand the long-term commercial potential of leniolisib.
- Advancing the ongoing pivotal FALCON clinical study for napazimone (KL1333) in mitochondrial DNA-driven primary mitochondrial diseases.
- Continued identification of value-accretive business development and licensing opportunities to develop our portfolio and pipeline.

No further specific financial guidance for 2025 was provided.

Financial review 2025

RUCONEST® growth continued in 2025, with revenue for the full year increasing by 26% to a record US$317.9 million, reflecting the benefit of a larger patient and prescriber base in the U.S. market. Unit sales volume in the U.S. increased by 20% for the full year.

Joenja® revenue for the full year 2025 increased by 29% to US$58.2 million, reflecting a 25% increase in patients on paid therapy in the U.S. and increased demand in international markets. The U.S. market contributed 86% of 2025 revenues, while the EU and Rest of World contributed 14%, driven by strong patient uptake in the U.K. following the April 2025 launch and purchases under government-supported access programs.

We completed the acquisition of Abliva, finalized integration activities, and successfully started the second wave of the pivotal FALCON clinical trial for napazimone (KL1333) in primary mitochondrial disease in 2025.

Also during the year, we significantly advanced our efforts to study leniolisib in primary immunodeficiencies with immune dysregulation beyond APDS and started the Phase II clinical trial for CVID with immune dysregulation.

We demonstrated disciplined cost management, achieving US$25.8 million operating profit in 2025, compared to a loss in 2024 and achieved US$54.7 million net cash flow from operations in 2025, compared to negative cash flow in 2024. These results mark an important inflection point and strengthen our ability to fund growth and long-term investment.

"2025 was a defining year for Pharming and reflects the focus and discipline our teams have brought to executing our strategy. We outperformed revenue guidance and delivered strong financial performance, with total revenues up 27%, driven by continued RUCONEST® growth and rising demand for Joenja® (leniolisib)."

Fabrice Chouraqui,
Chief Executive Officer
and Executive Director

Financial review

Amounts in US$ million except per share data	2025	2024	% Change
Consolidated Income Statement			
Revenues	376.1	297.2	27%
Gross profit	330.6	261.8	26%
Operating profit (loss)	25.8	(8.6)	400%
Profit (loss) for the year	2.5	(11.8)	121%
Consolidated Balance Sheet			
Overall cash & marketable securities	181.1	169.4	7%
Share Information			
Basic earnings per share (US$)	0.004	(0.018)	122%
Fully-diluted earnings per share (US$)	0.004	(0.018)	122%

In 2025, Pharming revenues increased by 27% to US$376.1 million. Operating profit improved from a US$8.6 million loss in 2024 to a US$25.8 million profit in 2025. Similarly, net profit improved from a US$11.8 million loss in 2024 to a US$2.5 million profit in 2025.

This section will further elaborate on Pharming's financial performance in 2025.

Income statement

Revenues and Gross Profit

Total revenues for 2025 grew by 27%, reaching US$376.1 million, compared to US$297.2 million in 2024. Total RUCONEST® revenues were 26% higher at US$317.9 million, compared to revenues of US$252.2 million for 2024. Joenja® revenues amounted to US$58.2 million in 2025, a 29% increase compared to revenues of US$45.0 million for 2024. This increase was primarily driven by a 37% increase in volume.

Cost of sales increased by 29% from US$35.4 million in 2024 to US$45.5 million in 2025. Cost of inventories recognized as expenses in 2025 amounted to US$32.0 million compared to US$25.6 million in 2024, primarily due to the higher unit sales volume. The remainder of the increase in cost of sales in 2025 stems primarily from the higher royalty payments to Novartis on Joenja® sales of US$5.8 million (2024: US$4.9 million) and the first sales milestone payment for Joenja® of US$5.0 million (2024: US$— million), partially offset by lower impairment charges on inventory of US$2.7 million (2024: US$4.8 million).

Gross profit increased by US$68.8 million, or 26%, to US$330.6 million for the year 2025. The primary driver for this increase was higher sales volumes of RUCONEST® and Joenja®.

Other income

Other income increased to US$6.5 million compared to US$2.2 million in 2024. Other income in 2025 was supported by the gain on the early termination of the DSP facility lease at Pivot Park in Oss, the Netherlands of US$3.9 million.

Operating Profit (loss) and Other Operating Costs

The operating profit amounted to US$25.8 million compared to an operating loss of US$8.6 million for the prior year. Adjusted to exclude US$10.3 million of non-recurring Abliva acquisition-related expenses (of which US$8.1 million is included in General and administrative expenses and US$2.2 million is included in Research and development expenses), US$4.1 million in one-off restructuring expenses, and the US$3.9 million gain on the early termination of the DSP facility lease, the operating profit amounted to US$36.4 million. The improved operating result was primarily driven by an increase in revenues, partially offset by higher operating expenses which include a total of US$29.7 million in Abliva-related expenses, and the first sales milestone for Joenja® of US$5.0 million. Excluding the Abliva-related expenses and restructuring expenses, other operating expenses increased by 2% compared to prior year.

Finance result (net) and share of result in associates

The finance result (net) and share of result in associates amounted to a loss of US$13.0 million compared to a gain of US$0.1 million in 2024. The year-on-year decline was primarily driven by foreign currency losses of US$7.2 million, compared to a gain of US$2.0 million in 2024, resulting from the strengthening of the euro against the US dollar. In addition, interest income declined as the Company reduced its investments in marketable securities during the year. These effects were partially offset by a higher share of results in associates of US$2.4 million.

Income tax expense

Income tax expense increased from US$3.3 million for the year ending December 31, 2024, to US$10.3 million for the year ending December 31, 2025. This tax expense mainly results from the profits of Pharming in the U.S. being taxed against a U.S. Federal and State combined tax rate of 27.96%, while the losses in the Netherlands only partly result in an offsetting tax credit, as the share-based compensation expenses and losses in associates are generally non-deductible based on Dutch tax law.

Net result for the year

The Company had a net profit of US$2.5 million in 2025, compared to a net loss of US$11.8 million in 2024.

Balance sheet

Intangible assets

In 2025, intangible assets increased by US$74.5 million, from US$61.0 million in 2024 to US$135.5 million in 2025. The significant year-on-year growth is primarily attributable to the acquisition of Abliva AB, including the recognition of the intellectual property related to the napazimone (KL1333) program. The amortization relates to regular amortization of software, the RUCONEST® licenses (U.S. and EU) and the Joenja® license. The RUCONEST® license has a remaining amortization period of 12 years for the U.S. and 6 years for the EU. The Joenja® license has a remaining amortization period of 11 years.

Property, plant and equipment

The value of property, plant and equipment decreased from US$7.8 million in 2024 to US$7.2 million in 2025. This decline was primarily driven by regular depreciation (US$2.1 million) and positive foreign currency effects (US$0.8 million), partially offset by capital expenditures (US$0.7 million).

Right-of-use assets

The right-of-use assets increased from US$16.4 million in 2024 to US$16.7 million in 2025. This increase was primarily driven by remeasurements (US$2.4 million) and positive foreign currency effects (US$1.6 million), partially offset by regular depreciation (US$3.5 million) and the subsequent impairment of the remeasurement of the DSP facility at Pivot Park in Oss, the Netherlands (US$0.5 million). The 2025 building remeasurements were related to adjustments in the existing right-of-use assets to account for inflation-related higher lease payments.

Investments

Investments increased by US$4.4 million to US$8.6 million as of December 31, 2025. This increase was primarily driven by the capital contributions made to BioConnection of US$0.7 million, Pharming's share in the net result of BioConnection of US$0.6 million and a fair value increase of US$2.3 million in the preference share in BioConnection, carried at fair value through the statement of profit and loss (FVTPL).

Inventories

Inventories increased from US$55.7 million as of December 31, 2024, to US$64.9 million as of December 31, 2025 mainly as a result of foreign currency effects.

Cash and cash equivalents and marketable securities

Cash and cash equivalents alone increased by US$90.4 million to US$145.3 million as of December 31, 2025. Cash and cash equivalents are managed in combination with the marketable securities position.

The combined total of cash and cash equivalents, together with restricted cash and marketable securities increased from US$169.4 million at year-end 2024 to US$181.1 million at year-end 2025. This increase was primarily driven by the positive operating cash flow of US$54.7 million as well as proceeds from exercise of share-based compensation awards during 2025, amounting to US$19.8 million in positive cashflows for 2025. This increase was primarily offset by purchases of Abliva shares totaling US$68.0 million.

Shareholders' equity

Shareholders' equity increased by US$56.0 million from US$221.1 million for the year ended December 31, 2024, to US$277.1 million for the year ended December 31, 2025. This increase was driven by transactions recognized directly in equity relating to share-based compensation and exercised options (totaling US$23.7 million) and the other comprehensive income of US$29.1 million. The other comprehensive income was primarily driven by currency translation differences.

Convertible bond

The convertible bond position has increased by US$15.7 million to US$98.1 million at year-end 2025, from US$82.4 million as of December 31, 2024. This increase was mainly driven by foreign currency effects of US$11.0 million resulting from the strengthening of the euro against the US dollar.

Lease liabilities

Lease liabilities decreased by US$12.2 million, moving from US$29.9 million as of December 31, 2024, to US$17.7 million as of December 31, 2025. This decrease was primarily driven by disposals of lease liabilities, amounting to US$13.7 million of which the main contributor was the early termination of the DSP facility lease at Pivot Park in Oss, the Netherlands.

Trade and other payables

Trade and other payables increased by US$39.3 million, moving from US$66.6 million as of December 2024, to US$105.9 million as of December 31, 2025. This increase was driven by the fee for the early termination of the DSP facility lease at Pivot Park in Oss, the Netherlands of US$12.3 million, the acquisition of Abliva AB resulting in an additional US$7.0 million in Trade and other Payables, as well as the first sales milestone for Joenja® of US$5.0 million.

Going concern

Pharming's 2025 financial statements have been drawn up on the basis of a going concern assumption.

The 2025 year-end combined total of cash and cash equivalents, together with restricted cash and marketable securities of US$181.1 million is expected to provide sufficient liquidity to fund the Company for more than twelve months from the date of this report.

During 2025, operating cash flows improved strongly compared to 2024, reflecting the continued strength of RUCONEST® revenues, sustained Joenja® growth, improved operational efficiency, and disciplined cost management. This improvement in operating cash generation further supports the Company's assessment that it holds adequate liquidity to meet its obligations as they fall due.

Following the completion of the acquisition of Abliva AB in February 2025, the Board of Directors anticipates continued investment in the development of napazimone (KL1333) and related clinical programs, as well as ongoing preparations for the commercial launch of leniolisib (Joenja®) outside the United States, which began in 2024 and is expected to further expand in 2026. These strategic investments are expected to continue to exert pressure on profitability in the near term.

Consequently, Pharming's combined cash, restricted cash, and marketable securities may decline during 2026 as the Company advances its long-term growth strategy.

Revenues from Joenja® are expected to increase from 2026 onwards as additional regulatory approvals are obtained and commercialization expands. The Company remains confident in the robustness of RUCONEST® sales and the strengthening of its pipeline, although no assurances can be given regarding the timing or magnitude of future profitability.

If additional capital is required, financing options may include equity issuance, expansion of the existing convertible debt, new debt financing, or a combination thereof. Any equity raise may dilute existing shareholders' interests. The Company does not currently foresee a need to raise capital to support its ongoing operations; however, it may do so to support acquisitions or in-licensing opportunities if terms are favorable and aligned with shareholder interests.

Based on its review of the financial position, the strong improvement in operating cash flows, cash flow forecasts, and principal risks, the Board of Directors concludes that Pharming has adequate resources to continue as a going concern for the foreseeable future.

“Living with APDS has impacted my finances a lot. Because I get sick so easily, I have to take sick days leave without pay in order to get better so I can return to work. That takes a huge chunk out of my paycheck sometimes.”

Patient living with APDS

Outlook 2026

For 2026, the Company provided performance guidance and anticipates:

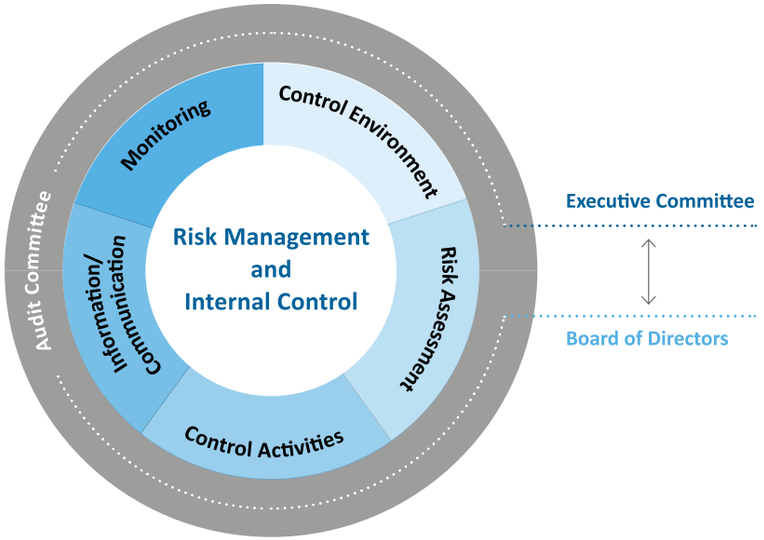
- Total revenues between US$405 million and US$425 million (8% to 13% growth), with quarterly fluctuations expected.
- Total operating expenses between US$330 million and US$335 million (6% to 8% growth), including US$60 million incremental R&D expenses to advance the pipeline and US$9 million structural G&A cost reductions based on the plan announced in October 2025.
- Continued RUCONEST® growth, and significant and accelerating Joenja® U.S. and ex-U.S. growth.
- Progress towards additional regulatory approvals and commercial launches for leniolisib for APDS patients 12 years of age or older and for pediatric label expansion in key global markets.
- Top-line data readouts for the two ongoing leniolisib Phase II clinical trials in PIDs with immune dysregulation to expand the asset's addressable patient population.
- Completion of enrollment in the pivotal FALCON clinical study for napazimone (KL1333) in mitochondrial DNA-driven primary mitochondrial diseases.
- Enhancing capital allocation to drive growth and build a leading rare disease company.
- Continued focus on potential acquisitions and in-licensing of clinical stage opportunities in rare diseases. Financing, if required, would come via a combination of our strong balance sheet and access to capital markets.

No further specific financial guidance for 2026 is provided.

Risk Management

Risk management and internal control

Risk management is integral to Pharming's strategy and to the achievement of Pharming's long-term goals. Pharming's Executive Committee is responsible for designing, implementing, and operating the Company's risk management and internal control systems. The Executive Committee is aware of the importance of a comprehensive approach to risk management and has developed a risk management and internal control framework, incorporating Pharming's strategy and the Five Components of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. COSO was selected because it provides a structured and scalable approach that fits the Company's strategy, risk profile, organizational context and regulatory environment.



Our risk management and internal control systems make use of various measures including:

- **Annual evaluation** by the Board of Directors on the goal and objectives achieved;
- **Periodical updates to the Board of Directors** reviewing accomplishments relating to operations, finance, commercial development, research and development, business development, clinical development, compliance matter, risk management, internal audits and investor relations;
  Quarterly reporting and review of the financial position and projections by the Executive Committee to the Board of Directors;
- **Periodic review meetings** by the Executive Committee with relevant managers and key stakeholders;
- **Annual, quarterly and monthly meetings and control testing,** incorporating financial and operational objectives, cash flow forecasts and the evaluation of business process activities;
- According to the **Company's whistleblower policy,** each employee and any third-party may file a complaint regarding actual or alleged irregularities of a general, operational, fraud, ethical and financial nature in relation to the Company and its subsidiaries, including deviations from the Code of Conduct. Pharming has a Code of Conduct that addresses the key risks related to potential breaches of ethical standards, which has been communicated to all employees and published on the Company's website; and
- **Regular meetings** with the Audit Committee, the Board of Directors and the Independent Auditor to discuss the financial results, internal controls and procedures.

The Company maintains records and procedures designed to:

- **Accurately and fairly** reflect the transactions and disposition of the assets of the Company;
- **Provide reasonable assurance** that transactions, receipts, and expenditures are recorded accurately, completely and made by authorized employees in accordance with IFRS accounting principles; and
- **Provide reasonable assurance** of the prevention or timely detection of unauthorized transactions, or use and disposition of the Company's assets that could have a material effect on the financial statements.

Internal Controls

As of December 31, 2025, we have effectively remediated the two material weaknesses previously disclosed in our prior year Annual Report, related to corporate income tax and accounting for complex, non-routine transactions. As such, we no longer have material weaknesses in our internal controls over financial reporting.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

"I liken my immune specialist to like a quarterback and then all my other doctors are just different positions on the field."

Patient living with APDS

Remediation of Prior Year Material Weaknesses

During the fiscal year ended December 31, 2025, we implemented a comprehensive remediation program which further strengthened our overall control environment. We actively took steps to execute our remediation plan using the following measures, amongst others:

- We completed a root-cause analysis to assess the true reasons for prior failures, while proactively working with all stakeholders to address each issue at the core.
- Using our risk assessment procedures, we identified areas requiring additional attention, and accordingly, we provided targeted focus and support to redesign the controls in these areas.
- The control owners and preparers for the areas which caused prior year's material weaknesses were re-trained and as a result, there were enhanced control procedures and better-quality documentation.
- All assumptions provided by external specialists and which were included in our position papers to address the accounting for complex, non-routine transactions and the calculation of corporate income tax provisions, were thoroughly reviewed by all control preparers and control owners, prior to subsequent discussions with our external auditors.
- Throughout the year, we coordinated and increased the number of cross-functional meetings with various stakeholders, including external consultants, to proactively help identify and address issues or errors.

We believe that the above remediation measures, including a now more stabilized internal control environment, have contributed to our current success.

Looking Ahead

While we have been successful in fully remediating our material weaknesses from the prior year, we remain on the quest to continue improving our overall internal control environment. We believe this can be achieved by employing and retaining competent personnel, providing relevant and necessary training, further simplifying our business processes and leveraging automation, including AI, where feasible.

Risk factors

In 2021, our Enterprise Risk Management framework was implemented and formal annual assessments began. We ensured that the risk owners and the leadership team understood the importance of timely risk identification, thorough assessment, and effective risk management, through a variety of trainings.

During 2025, we continued to improve our Enterprise Risk Management assessment processes, as the risk landscapes evolved. We have built on the foundations obtained through the engagement of external advisors in 2022, and held interview sessions with various Executive Committee members and their teams to further identify, define, and assess Pharming's risk landscape and overall risk appetite. Once the risks have been defined and discussed, they are then scored for likelihood of occurrence and impact should the risks occur, while factoring in ongoing mitigation actions and future mitigation plans. The final risk scores and rankings are then shared with the Executive Committee and the Board of Directors.

To determine if a risk is acceptable, the Board of Directors, as well as the Executive Committee, further discuss the nature of the various risks to the business and the level of risks the Company deems acceptable, with or without mitigation activity. Overall, the risk assessments are based on our strategic goals, our business principles, our policies and procedures, and taking into consideration the highly regulated markets in which we operate.

Our risk appetite and approach to risk management differs by risk type and have been taken into consideration based on what's presented below. In general, each risk type is assessed an inherent score, which is further reduced by the score which we assign to the respective mitigation plans. Mitigation plans reduce the likelihood that a risk will occur or if the risk does occur, the mitigation plan could help alert us that it has occurred. The risks as stated below, should be assessed in the context of our mitigation plans or what is being done to address them.

Risk Type	Strategic risks	Operational risks	Compliance and reputational risks	Financial and fraud risks
	We aim to deliver on our strategic ambitions and priorities and are willing to accept reasonable risks to achieve these.	We face operational challenges that may require management attention. Our objective is to avoid risks that could negatively impact our goal in achieving operational efficiency, while ensuring our quality standards are unaffected.	We strive to be fully compliant with our Code of Conduct as well as national and international laws and regulations of the countries in which we operate.	Our financial strategy is focused on a strong financial position and creating long-term value for our shareholders.
Risks	The following risks are assessed in more detail in this Report: • Changes in pricing regulations by local governments • Limited or no product approvals by regulatory authorities • Inaccurate planning and sales forecasts	The following risks are assessed in more detail in this Report: • Product quality issues • Inadequate IT portfolio and information security • Disruption in the end-to-end supply chain	The following risks are assessed in more detail in this Report: • Non-compliance with national and international laws and regulations • Non-compliance with pharmaceutical industry rules and regulations • Non-compliance with SOX Regulations	The following risks are assessed in more detail in this Report: • Enterprise value not recognized by investors • Inaccurate or fraudulent financial reporting • Insufficient liquidity • Fluctuations in FX rates
Residual Risk	●●●●●	●●●●●	●●●●●	●●●●●

Strategic risks

Executive Committee members, as part of the Enterprise Risk Management process, performed risk assessments over strategic risks and highlighted the most critical risks in this report.

Changes in pricing regulations by local governments and payors

Pharming's ability to achieve acceptable levels of coverage and reimbursement for our products, might be hindered by new or changing global policies and regulations, such as Most Favored Nations and Tariffs in the United States (U.S.), which could cause a material and adverse effect on our business activities and financial performance.

What are we doing to manage the risk?

Pharming continues to monitor changes in pricing regulations by local and federal governments, including new or changing pricing regulations such as those in the U.S. related to Most Favored Nations, Tariffs or other changes in the drug reimbursement processes.

We continue to work directly with the respective government and private insurers to facilitate patient access to our current and future product offerings at prices that are acceptable to them and that allows Pharming to meet its financial obligations.

As a backup plan, the Operations team is actively evaluating the potential use of U.S. based vendors to process Drug Substance, Drug Product, packing and labeling activities, for products where this is possible.

Limited or no approval by product regulatory authorities

Our products require independent reviews and approvals from regulatory agencies such as the U.S. Food & Drug Administration (FDA) or the European Medicines Agency (EMA), prior to licensing and marketing.

The regulatory agencies may not approve our product candidates on a timely basis, or at all, which could delay or prevent commercialization, thus negatively impacting our revenue growth.

What are we doing to manage the risk?

- We continue to have regular communications with key stakeholders to ensure that strategic goals are on track.
- Pharming has processes in place to verify the quality of our research data and we actively monitor clinical study results. This is supported by pharmacovigilance (internal) and independent data monitoring committee (external) to ensure the safety of those who participate in our clinical trials.
- Since various aspects of the clinical research is outsourced to Contract Research Organizations (CROs), we ensure the quality of the work they perform meets Good Clinical Practices (GCP), as well as applicable legal and regulatory standards.

Inaccurate planning and sales forecast data for new products

The sales forecast data for new products is based on assumptions and predictions about the future, which may not materialize as planned. As such, strategic decisions regarding new products could be based on data that, over time, may not align with progressive insights or reality.

Consequently, we may not meet revenue and margin expectations for new products, due to limited data and information at the time of forecasting.

What are we doing to manage the risk?

To mitigate this risk structurally, we have implemented the following processes:

- Throughout the forecasting process for new products, management reviews various scenarios offered and considers the accuracy of the current forecasts versus the costs to acquire additional data to possibly improve forecast outcomes.
- We align and strive to understand the completeness of the various data points that contribute to a more integrated business plan and forecast, while agreeing on the ownership of various forecasting procedures, the frequency of reporting and overall data quality.
- As is customary in this industry, the Market Access teams are monitoring and developing evidence and campaigns that will be used to maximize the value story with payors and optimize the price and patient access to all of Pharming's clinical offerings.

Operational risks

Operational or operating risks in this case refers to third-party risks. These include production and manufacturing risks, information security risk, and personnel risk. Management, as part of the Enterprise Risk Management process, performed a risk assessment of operational risks and highlighted the most critical risks in this report.

Product quality issues

The quality of a product is determined by systems (quality and IT related), people, and the manufacturing process. Inadequate performance and deviations in one or more of these areas can lead to product quality issues and yield products that are not approved by regulatory authorities.

What are we doing to manage the risk?

The following procedures are in place at Pharming to ensure the proper production and delivery of quality products:

- The QA systems and processes internally as well as externally are audited on a regular basis and we use qualified CXOs.
- Our GXP critical IT systems and manufacturing processes are qualified and validated.
- Our materials are sourced from qualified suppliers.
- Our clinical and commercial products are tested according to specification.
- Qualified people are hired and are continuously trained.
- Standardized procedures are being used.
- Development of formal processes for budgeting and forecasting to ensure adequate resources are made available to facilitate the development of quality products.

The improvement areas that have been identified are GAP assessments, monitoring of critical suppliers/CXOs using KPIs, and having a better understanding of local requirements (e.g., Japan, Brazil).

Inadequate IT portfolio, IT recovery and information security

There is a risk that the IT portfolio and IT infrastructure may not be able to support Pharming's growth strategy. In addition, we may not be able to respond timely to or recover from IT incidents, which may compromise the confidentiality, integrity, and availability of sensitive data, including the personal data of employees, contractors, patients and other stakeholders.

What are we doing to manage the risk?

Pharming's IT governance has been strengthened with the Strategic IT Committee and sound IT Strategy, including a comprehensive IT/Cybersecurity Roadmap 2024-25. IT is professionalizing to become a business partner and to become compliant with the NIS2 directive and Sarbanes-Oxley Act (SOX 404). The implementation of a full Information Technology Infrastructure Library (ITIL) and process will help to ensure that IT incidents are identified, formally documented, evaluated and that all follow-up actions are defined and executed on a timely basis. In addition, there will be increased monitoring of IT applications using automated tools and proper governance.

Disruptions in the end-to-end supply chain

Pharming may experience disruptions in the end-to-end supply chain which may impact the timely delivery of products to patients in existing and new markets or countries.

What are we doing to manage the risk?

To be able to act on potential disruptions in demand, internal alignment between all relevant stakeholders and oversight during execution of the plans are critical.

A critical part of our commercialization process is to maintain the right level of safety stock, considering both regulatory and financial requirements. Pharming continues to maintain an adequate safety stock based on our projections and estimates. Furthermore, our Enterprise Resource Planning (ERP) system helps us improve our inventory planning process. We proactively monitor stocks of materials on hand with each Contract Manufacturing Organizations (CMOs) that we work with. Safety stocks of intermediate and finished products are being maintained to bridge a potential gap in our product manufacturing and release process. The latter is part of our S&OP process which is continuously being reviewed for improvement.

As it relates to newly developed or approved products, our Operations team starts a timely search for qualified CMOs who can handle in an agile manner, changes in our demand forecast. This allows us to build a network of preferred CMOs, while carefully evaluating global supply chains as we develop and bring new products to market. As part of our continuous improvement process, alternative sources of materials are being evaluated as part of our product development and manufacturing.

This may include a second supplier for drug substance, filters, disposable bags, or moving from disposable materials to stainless steel.

Compliance and reputational risks

Management, as part of the Enterprise Risk Management process, performed risk assessments over compliance and reputational risks and highlighted the most critical risks in this report. However, other risks are also continuously being managed and monitored by the business. These include breaches of ethical standards; data privacy; bribery and corruption; contractual obligations; negative public opinion and increased regulatory scrutiny.

Pharming has issued a revised Code of Conduct that addresses key risks related to potential breaches of ethical standards. In 2021, Pharming created a Disclosure Committee, made up of disparate departments within the business, who actively monitor the disclosure of Inside Information. Pharming has also created an Antitrust policy and a Promotional Compliance policy, for which a comprehensive compliance training program is now provided across the company during Compliance Day.

Non-compliance with national and international laws and regulations

Pharming may face legal, financial, or reputational consequences for non-compliance with external laws, internal policies, including our Governance Standards. This includes risks related to dual listing requirements (AFM/SEC), fair trade practices, the handling of inside information, trade sanctions, data privacy laws, export control laws, and social media activity. Additionally, we are exposed to risks regarding the proper reporting of transfers of value to Healthcare Professionals and overall GxP compliance. Certain risks may arise in particular, due to expansions into new markets or withdrawals from certain markets. Failure to meet these obligations may result in fines, regulatory actions, reputational damage, or even business disruption in key markets.

What are we doing to manage the risk?

Pharming works with various second line of defense teams such as Quality, Legal, Business Integrity/Compliance, Corporate Secretary, and Internal Audit, to monitor compliance with applicable laws and regulations including compliance with both Dutch and U.S. SEC Corporate Governance codes and filing requirements.

Pharming is enhancing its policies, processes, internal controls, and documentation related to key processes. We have a global Business Integrity program. The resource model for Business Integrity and Compliance has been strengthened. An annual review of the Enterprise Risk Management (ERM) top 20 risks has been held with the Executive Committee and risk mitigations plans and mitigation actions have been agreed to and are in process. In 2026, the ERM process will become more robust and enhanced.

We have an "Insider Trading Code" in place which complies with the Market Abuse Regulation (MAR) and other prevailing laws and regulations. We also maintain and monitor a "Restricted Persons" register.

Our Disclosure Committee actively monitors the timely disclosure of Inside Information and compliance with the disclosure requirements applicable to Pharming. Lastly, Pharming is developing a set of regional standard operating procedures (SOPs) and policies, as well as a compliance network to assist with the compliance of local rules and regulations.

Non-compliance with pharmaceutical industry rules and regulations

Off-label and Disguised Promotion

Communicating product data beyond approved indications or sharing scientific information in non-promotional contexts, such as through Advisory Boards or digital media, may be misinterpreted as off-label or disguised promotion. This poses reputational and regulatory risks if perceived as sales-driven.

What are we doing to manage the risk?

Policies, processes, and experienced subject matter personnel provide the guidance and oversight to help mitigate the risk of off-label and disguised promotions. These personnel utilize the policies and processes to review, evaluate and reject or approve these forms of communications. We utilize our Code of Conduct, Advisory Board Policy, Promotional Compliance Policy, U.S. Field Manual, Non-Promotional Satellite Symposia Policy, Promotional Review Policy, Medical Review procedure, and others to establish requirements and help enforce compliance with applicable laws, regulations, and codes.

Training is conducted for individuals responsible for sales activities to re-enforce the requirements and standards, while providing education on key compliance requirements. Targeted monitoring and auditing are conducted to evaluate compliance with established requirements.

Pharmacovigilance
Pharming conducts a comprehensive pharmacovigilance (PV) program. However, the PV laws and requirements are very strict and a finding of non-compliance could cause Pharming to suffer reputational damage, incur monetary fines, and force us to halt business activities.

Pharming may be required to perform studies of additional indications and dosing strengths in case of frequent off-label usage. The handling of off-label cases incurs additional costs. Despite its efforts, Pharming may not meet its requirement to adequately train employees to properly identify and report PV incidents.

What are we doing to manage the risk?
The following actions are in place to help prevent a possible non-compliance with pharmacovigilance requirements:

- We actively monitor key performance indicators related to expedited and periodic reporting.
- Pharmacovigilance audits are performed by our internal Quality Assurance team and independent auditors and may include reviews of our business partners, such as specialty pharmacies, license partners and vendors. Action plans are implemented based on the outcome of the audits.
- There are regular reviews and updates of the pharmacovigilance procedures and continuous training of the related staff.

“ [Our life with APDS] is a rollercoaster of emotions, highs and lows, never knowing… one minute you're okay, the next you’re not… trying to be strong for her, trying not to fall apart for her."

Caregiver to a patient living with APDS

Financial and fraud risks

Management, as part of the Enterprise Risk Management process, performed a risk assessment over financial and fraud risks and highlighted the most critical risks in this report.

Inaccurate or fraudulent financial reporting

The risk that Pharming's financial statements contain a material misstatement and/or that the company is not SOX compliant or not adhering to other AFM/SEC financial reporting requirements or timelines, due to lack of awareness of GAAP, IFRS, AFM, SEC rules, internal policies, processes and procedures, or intentional misbehavior (fraud) caused by internal or external pressures, resulting in a loss of confidence in the accounts by key external stakeholders and internal users, reputational damage and personal liability exposure for Directors.

Fraud risk can be unexpected financial, material, or reputational loss as the result of fraudulent action(s) of persons internal or external to the organization. The risk of inaccurate financial reporting includes poor operational decisions, reputational damage, economic loss, penalties, fines, legal action, claims from shareholders, and even bankruptcy.

Pharming can ensure accurate financial reporting by employing a network of internal controls, fortified by financial software which helps prevent and detect errors.

What are we doing to manage the risk?

An Anti-Fraud Framework was established encompassing fraud assessments. A quarterly fraud disclosure questionnaire must be completed by managers and process owners with the purpose of identifying changes in controls, which could allude to possible (indications of) fraud.

In addition, an Anti-Fraud Policy and Alert Reporting Investigation Procedure were developed, and fraud awareness trainings were given and/or made available to all employees. The Company has implemented controls to establish a fraud governance process, to create a sound anti-fraud culture, to implement and maintain clear preventive and detective fraud controls.

Pharming continues to develop sound internal controls and formalize best practices processes, to prevent balance sheet and P&L risks by periodically reviewing balance sheet and P&L accounts and as well as reviewing financial transactions for completeness and accuracy. Now that we have become fully SOX compliant, as mentioned above, we will continue to improve our internal controls over financial reporting and strive to remain SOX compliant each year.

Insufficient liquidity

The risk that Pharming has insufficient cash to fund its operations and meet its financial obligations, due to adverse capital, credit market conditions and/or an inability to generate sufficient cash, resulting in a weaker financial position could have an adverse impact on business continuity.

Adverse capital and credit market conditions may significantly affect the ability to meet liquidity needs, cause limitations in accessing capital or face an increase in the cost of capital. The same concern is valid for access to our cash, which could become restricted at banks that experience financial difficulties.

Prolonged exposure to liquidity risk or inability to generate enough income for the projects in scope could lead to the inability to meet financial obligations, which could increase the risk of insolvency.

What are we doing to manage the risk?

Pharming is working on improving cash flow forecasting models to provide a more accurate view of liquidity. A Company financial forecasting model has been made, which forms the basis for this information for the medium- and long-term horizon (15 years forward). Any new business development project needs to be included in this model to understand the impact on cash flow and liquidity.

“ [The joint pain is] like the Tin Man from The Wizard of Oz. He gets stiffer and stiffer and stiffer and he has to use the oil can. And I'm like, can I just get an oil can?"

Patient living with APDS

Funding (both equity and debt) will be adjusted to the liquidity needs of the Company. In addition, we have recently hired a head of Treasury to further assist us in our liquidity forecasting endeavors, as well as furthering efforts to automate the centralization of excess cash.

Pharming diversifies its cash holdings across several banks and across short term investment instruments including bank deposits, government treasury certificates and money market funds to increase diversification and reduce counterparty risk.

Fluctuations in Foreign Exchange market rates

Due to the international scope of our operations, fluctuations in exchange rates, particularly between the Euro and the U.S. dollar, may create an adverse impact. While the Company is headquartered in the Netherlands, we source materials, products, and services from several countries outside the EU which are paid in local currencies.

In addition to the U.S. commercialization of RUCONEST® and Joenja®, the projected commercialization of Joenja® in the European Union, as well as the commercialization of Joenja® in additional geographies, we expect to receive payments and generate costs in US dollars, euro, the British pound, as well as additional currencies.

Fluctuations in foreign exchange rates between the euro and the U.S. dollar, as well as other currencies may impact our result.

As the intercompany balance payable by Pharming Healthcare Inc. to Pharming Technologies B.V. is in euros and the books of Pharming Healthcare Inc. are in US dollars (functional currency Pharming Healthcare Inc. is US dollars) a rate fluctuation may impact the balance payable of Pharming Healthcare Inc. to Pharming Technologies B.V. and is reflected in the income statement.

Since the majority of Pharming's sales are invoiced and paid in US dollars, and most of its costs and liabilities are valued in euros, any change in the relevant exchange rate means a corresponding change in the euro value of sales and a corresponding change in the loan balance in euros.

What are we doing to manage the risk?

Foreign exchange results is partly remediated by having Pharming Healthcare Inc. repaying its net payable balance to Pharming Technologies B.V., Pharming Group N.V. or Pharming Americas B.V. promptly using its cash balances. We aim to book and pay all intercompany charges and intercompany invoices on receipt of invoice as soon as possible, thereby reducing the intercompany balances. Pharming entities manage foreign exchange result risk on their cash by holding the cash balances in its own functional currency.


Rilyn living with APDS

Corporate Governance

Dutch Corporate Governance Code

The Dutch Corporate Governance Code (DCGC) contains both principles and best practice provisions for Boards of Directors, shareholders and general meetings of shareholders, financial reporting, auditors, disclosure, compliance, and enforcement standards. A copy of the DCGC can be found on www.mccg.nl.

As a Dutch listed company, the Company is subject to the DCGC and therefore required to disclose in its Annual Board Report to what extent it complied with the principles and best practice provisions of the updated DCGC. Where we do not comply (for example, because of a conflicting Nasdaq requirement or otherwise), the Company shall state in its Annual Report why, and to what extent the Company deviated from it.

In 2025, the Company applied the revised Dutch Corporate Governance Code (effective January 1, 2025), including the introduction of the Risk Management Statement (Verklaring Omtrent Risicobeheersing, VOR). A gap assessment was performed, and where relevant, updates to governance, risk management and internal control reporting were implemented.

Our most substantial deviations from the DCGC throughout the year 2025, including one new deviation compared to the financial year 2024, are summarized below:

- New deviation: Article 3.2.3 of the DCGC provides that the severance payment to a statutory director will not exceed the annual fixed salary amount. This provision is also applied for Fabrice Chouraqui, except that our shareholders approved at the EGM held on March 4, 2025, that Fabrice Chouraqui will be entitled to a severance pay equal to 200% of his fixed annual base salary, in the special event of a termination of his mandate as Executive Director/CEO, without cause, within twelve (12) months following a change of control of Pharming.
- Article 3.3.2 of the DCGC (Remuneration of supervisory board members) recommends against providing equity awards as part of the compensation of a Non-Executive Director. However, we deviate from this recommendation and grant equity awards to our Non-Executive Directors, consistent with U.S. market practice and in accordance with the Remuneration Policy for the Board of Directors, as adopted by the General Meeting of Shareholders on May 21, 2024. To safeguard the independence of the Non-Executive Directors, consistent with the intentions of the DCGC, the number of shares awarded has been fixed and the grant has not been linked to the performance of Pharming Group.
- Article 3.3.3 of the DCGC recommends that shares held by a Board member in the company on whose Board they serve should be long-term investments only. This provision has been deleted from the updated Remuneration Policy that was approved by the General Meeting of May 21, 2024, in accordance with the recommendations of proxy advisors, to preserve full independence of the non-executive directors, consistent with the intentions of the DCGC.
- Article 4.2.3 of the DCGC (Meetings and presentations) recommends that all analyst meetings, analyst presentations, presentations to institutional or other investors and press conferences can be followed in real time, by means of webcasting, telephone or otherwise. Considering the Company's size, it would create an excessive burden to provide facilities that enable shareholders to follow in real time all the meetings with analysts, presentations to analysts, presentations to investors referred to in the best practice provision. However, the Company ensures that presentation materials used in such meetings or presentations are posted on the website in a timely fashion. Some meetings (such as the Annual General Meeting of Shareholders) are accessible in real time, at least in audio format. The Company also holds both pre-recorded and live webinars at which key events such as quarterly financial statements or large corporate actions can be discussed. Meetings discussing financial results and other significant news are announced and conducted in accordance with this provision.

Articles of Association

The prevailing Articles of Association of the Company are posted on the Company's website and are available in English and Dutch. The Articles of Association of the Company were most recently amended on May 23, 2023.

Group and shareholder structure

Group structure

The following table lists the (wholly-owned) subsidiaries of the Company and therefore, together with the Company, sets out the Pharming Group structure as per December 31, 2025:

Entity	Registered office	Investment
Pharming Americas B.V.	The Netherlands	100%
Pharming Intellectual Property B.V.	The Netherlands	100%
Broekman Instituut B.V.	The Netherlands	100%
Pharming Healthcare, Inc.	United States	100%
ProBio, Inc.	United States	100%
Pharming Technologies B.V.	The Netherlands	100%
Pharming Research & Development B.V.	The Netherlands	100%
Pharming Australia Pty Ltd	Australia	100%
Pharming UK Ltd	United Kingdom	100%
Pharming Germany GmbH*	Germany	100%
Pharming France SAS*	France	100%
Abliva AB**	Sweden	100%
Abliva, Inc.***	United States	100%

* This entity was established in November 2025

** This entity was acquired in February 2025

*** This entity is dissolved in January 2026

In February 2025, the Company acquired an 88.9% ownership interest in Abliva AB ("Abliva"). By June 2025, the Company obtained the remaining shares outstanding, resulting in a 100% ownership interest. Pharming acquired Abliva to further strengthen the clinical pipeline with the addition of a therapy, aligning with our vision to become a leading global rare disease company. See note 4. Business Combinations and acquisitions of non-controlling interests in the Financial Statements for further information.

The Company also holds a 23.0% minority stake in BioConnection Investments B.V. (BioConnection). BioConnection is a Dutch contract manufacturing organization that manufactures the sterile sealed vials of Pharming's product RUCONEST® from the purified drug substance. The investment has been treated as an associate company of the Group. More details can be found in note 14. Investment accounted for using the equity method

Shareholder structure

All ordinary shares issued by the Company are traded on Euronext Amsterdam under the symbol "PHARM". In addition, American Depository Receipts (ADRs) are traded on the Nasdaq Global Market Composite under the symbol "PHAR". JP Morgan Chase Bank, N.A. (located at 383 Madison Avenue, Floor 11, New York, NY 10179) acts as the depositary and registrar for the American depositary share (ADS) representing our ordinary shares.

Each ADS will represent an ownership interest in a designated number of ordinary shares in our capital which will be deposited from time to time with the custodian, as agent of the depositary, under the deposit agreement among ourselves, the depositary (JP Morgan Chase Bank, N.A.), and the holders of American Depositary Receipts evidencing ADSs ("ADRs"), or other beneficial owners of an interest in ADSs from time to time.

The rights of the holders of ADRs, or of other beneficial owners of the ADSs, derive from the terms of the deposit agreement as described above and, in the case of the beneficial owners, from the arrangements between the relevant beneficial owner and the holder of the corresponding ADRs. The obligations of the depositary and its agents are also set out in the aforesaid deposit agreement.

For information on the ADSs and ADRs, you should read the prospectus (hereafter referred to the "ADS Prospectus") that is included in the Registration Statement on Form F-1 (333-250984), as filed with the SEC on December 17, 2020, and as further supplemented, amongst others, by the 2025 Annual Report on Form-20 F document, as filed with the SEC on April 2, 2026.

As a foreign private issuer traded on Euronext Amsterdam, the Company is permitted to follow certain home country corporate governance practices in lieu of certain Nasdaq requirements. The rights of holders of ordinary shares and, therefore, certain of the rights of holders of the ADSs, are governed by Dutch law, including the provisions of the Dutch Corporate Governance Code, and by our Articles of Association. Reference is made to the subsequent sections for a summary of the main governance practices applied by Pharming.

More details on the Company's authorized share capital and issued shares and the number of listed ADSs can be found in the Information for investors and shareholders section of this Report and note 19. Shareholders' Equity.

On April 25, 2024, the Company entered into a Subscription agreement under which the Company issued €100 million of convertible bonds due 2029 (the "New Bonds") to investors. The Company used the net proceeds of the New Bonds for the repurchase of the outstanding €125 million 3.00% senior unsecured convertible bonds due 2025 issued on January 21, 2020 (the "2025 Bonds"; ISIN: XS2105716554).

For more details, reference is made to note 20. Convertible bonds in this report.

No anti-takeover measures in place

The Board of Directors believes that Pharming shareholders are the best persons to judge whether a takeover bid for the Company is fair for them at the time of offer, and after receiving an informed opinion from the Board of Directors regarding the advantages and disadvantages of such bid. Therefore, there are no anti-takeover measures in place that would restrict the Company's shareholders from receiving information about, or from accepting or rejecting a bid for their shares.

However, we have adopted several provisions which may have an impact on a takeover of our Company, including:

- a provision in our Articles of Association that Directors may only be removed at the general meeting of shareholders by a resolution adopted with a majority of the votes cast, representing at least one third of the issued share capital; if the majority of the votes cast are cast in favor of the removal, but such majority does not represent at least one third of the issued share capital, a new meeting may be convened in which the removal may be resolved upon with a majority of the votes cast, irrespective of the percentage of the issued share capital represented at the meeting;
- members of the Board of Directors being appointed on the basis of a binding nomination by the Board of Directors, which can only be overruled by the general meeting of shareholders by a resolution adopted with the majority of the votes cast, provided such majority represents at least one third of the issued share capital; if the nomination is rejected by the majority of the votes cast, but such majority does not represent at least one third of the issued share capital, a new meeting may be convened in which the nomination may be rejected with a majority of the votes cast, irrespective of the percentage of the issued share capital represented at the meeting; in that event, the Board of Directors shall make a new nomination; and
- requirements that certain matters, including an amendment of our Articles of Association or dissolution of the Company, may only be brought to our shareholders for a vote upon a proposal by the Board of Directors.

It is also noted that the share-based incentive plans for our staff members (i.e., excluding the CEO and the Executive Officers) will vest automatically and unconditionally in the event of a change of control of the Company, in accordance with the terms thereof. It is noted that the execution of each, new share-based incentive plan for our staff members requires a resolution by the CEO and the Executive Committee. Such execution is not controlled by the staff members but is governed by the detailed terms and conditions applicable to these plans.

In the event of the termination without cause of the labor agreements of the (non-statutory) Executive Officers within twelve months following a hostile take-over of Pharming, all their outstanding restricted shares will also vest immediately. In case of any other change of control, the Executive Officers will only be entitled to pro-rata vesting of outstanding restricted shares, subject to the pro-rata achievement of the applicable performance measures and targets. The remaining shares will vest in accordance with the predetermined times.

The outstanding restricted shares granted to the Executive Director/CEO under the applicable share-based incentive plans, will only vest pro-rata in the case of a change of control that has been approved by the General Meeting of Shareholders. The pro-rata vesting will in that event be exercised for the performance period that has lapsed at that moment, subject to the pro-rata achievement of the applicable performance measures and targets. The remaining shares will vest in accordance with the predetermined times (i.e., no accelerated vesting) which is subject to the achievement of the applicable performance measures and targets.

However, our shareholders approved on March 4, 2025, that Fabrice Chouraqui shall be entitled to a severance payment equal to 200% of his fixed annual base salary in the specific event of a termination of the mandate of Fabrice Chouraqui as Executive Director/CEO without cause (i.e., absent serious culpable conduct or gross negligence on his part) within twelve (12) months following a change of control of Pharming.

In case of an event resulting in a change of control or in case of the announcement of a proposed formal public offer for the shares in the Company, the Board of Directors can decide to settle the allocated shares outstanding for the Executive Director and the Executive Officers in cash.

Finally, on April 25, 2024, the Company entered into a Subscription agreement under which the Company issued €100 million of convertible bonds due 2029 (the "New Bonds") to investors. Under this agreement, the conditions of the Bonds specify that in the event of a change of control of the Company, the conversion price of the Bonds which may be converted into Pharming shares, may change. This will be dependent upon the time elapsed between initiation of the Bonds and the date of the change of control relative to the normal repayment date of the Bonds in 2029. Such a provision is standard for bond instruments of this kind.

Board structure

Introduction

The Company has a one-tier board structure, with a single Board of Directors composed of Executive and Non-Executive Directors. The Executive Directors manage the day-to-day business and operations of the Company and implement the Company's strategy, supported by a (non-statutory) Executive Committee chaired by the Chief Executive Officer. The Non-Executive Directors focus on the supervision of the policies and the functioning of the performance of the duties by the Executive Director(s) and the Company's general state of affairs.

Our one-tier board structure allows the Company to integrate and leverage the knowledge, experience and wide range of backgrounds, education and expertise among the Executive and Non-Executive Directors into one single corporate body. We believe that the one-tier board structure accordingly warrants the quality and adequacy of our internal governance processes and decision-making.

While the majority of Dutch companies traditionally apply a two-tier board structure, the DCGC endorses and facilitates one-tier board structures and includes specific principles and best practice provisions for the composition and functioning of one-tier boards. The Company complies with these principles and provisions.

Role and responsibilities

The statutory Board of Directors as a collective has shared responsibility for the management of the Company and the general course of affairs of the Company. Accordingly, the Board of Directors is, inter alia, jointly responsible for the following:

- the continuity of the Company;
- maintaining a culture focused on sustainable long-term value creation for the Company;
- the achievement of the Company's objectives;
- the long-term strategy;
- the structure and operation of the internal risk management and control systems;
- the financial reporting process;
- compliance with laws and regulations;
- the Company-shareholder relationship and stakeholder dialogues/management; and
- corporate social responsibility aspects that are relevant to the Company.

The Board of Directors is assisted by the Corporate Governance Committee to determine and monitor the corporate governance structure of the Company and Group and to ensure compliance by the Company with the DCGC and other applicable rules and regulations governing corporate governance-related matters for Pharming. Supported by the Audit Committee, the Board of Directors supervises the financial and non-financial reporting process, and the effectiveness of the internal risk management and control system.

Assisted by the Remuneration Committee, the Board of Directors determines the remuneration of the individual members of the Board of Directors (within the remuneration policy adopted by the Annual General Meeting of Shareholders) and the members of the Executive Committee.

Finally, supported by the Transaction Committee, the Board of Directors reviews and decides on M&A or other business development transactions. The reports of the respective committees are presented separately in this section.

We believe that we have sufficiently ensured the independent supervision by our Non-Executive Directors via the following safeguards, each time in accordance with the DCGC:

- The majority of our Board of Directors comprise of Non-Executive Directors. Our Board of Directors is currently seated by six Non-Executive Directors and one Executive Director.
- All Non-Executive Directors are independent within the meaning of the DCGC and applicable U.S. rules and regulations, as evaluated annually.
- The Non-Executive Directors supervise the way in which the Executive Director/CEO, supported by the non-statutory Executive Committee, implements the Company's strategy and sustainable long-term value creation.
- The Chairperson of our Board of Directors is a Non-Executive Director. Hence, our Board of Directors is not chaired by an Executive Director.
- The Board of Directors' committees, (the Audit Committee, Remuneration Committee, Corporate Governance Committee, and the Transaction Committee), exclusively comprise of Non-Executive Directors. None of these committees is chaired by the Chairperson of the Board of Directors.

The Board of Directors has adopted Board Rules that govern the procedures and decision making of the Board of Directors. The Board Rules describe in more detail the matters, including the related decision-making powers, which have been delegated to the Executive Director/CEO. The Board of Directors has also adopted charters to govern the procedures and decision-making of the committees established by the Board of Directors. The Board Rules and charters have been drafted to ensure compliance by the Company with both Dutch Corporate law, the DCGC and applicable U.S. rules and regulations. The Board Rules and charters are published on the Company's website. The Board Rules and the committee charters are evaluated at least every two years.

Appointment Directors

All members of our Board of Directors are statutory directors of the Company and appointed by the General Meeting of Shareholders upon a binding nomination of the Board of Directors. Upon the appointment of a member of the Board of Directors, the General Meeting shall also be proposed to determine whether that person is appointed as Executive Director or as Non-Executive Director.

The Articles of Association of the Company contain an indemnification arrangement for current and former directors and other officers or employees, consistent with market practice and including customary carve-outs. The Company entered into indemnification agreements with the individual (Executive and Non-Executive) Directors and the Executive Officers or included indemnification provisions in their employment or management services agreements that are fully aligned with the indemnification arrangement in the articles of association.

Composition of the Board of Directors and Executive Committee

We believe that it is important for the Board of Directors and the Executive Committee to have a mix of experiences, qualifications, knowledge and abilities.

We seek to combine the skills and experience of long-standing members of the Board of Directors and the Executive Committee with the fresh perspectives, insights, skills and experiences of new members.

Experience and expertise of the Board of Directors and Executive Committee

In terms of experience and expertise, we require the Board of Directors and the Executive Committee to be composed of individuals who are knowledgeable in one or more of the following areas to drive and support the successful execution of our sustainable long-term strategy:

- the industry and markets in which the Company operates;
- general management;
- finance, administration and accounting;
- risk management and controls;
- strategy;
- governance;
- marketing and sales;
- manufacturing, production and supply;
- innovation, research and development;
- safety, environment and sustainability;
- human resources, personnel and organization;
- stakeholder management;
- information technology; and
- legal and regulatory affairs.

The Board of Directors conducted a self-evaluation to map the knowledge of the individual Non-Executive Members. That self-evaluation confirmed that the members, as a group, have the knowledge and skills available to adequately fulfil the tasks and responsibilities assigned to them.

Inclusion and equality

Pharming embodies inclusion as an integral part of the company culture and is committed to promoting and protecting equal, merit-based opportunities and respectful collaboration in the workplace and beyond.

As confirmed in our Code of Conduct, Pharming is committed to ensuring compliance with all applicable laws, regulations and codes on equality, inclusion and the prohibition of discrimination and harassment, and to ensuring equal treatment and merit-based opportunities, whether in recruitment, employment conditions, development, or career progression, based on transparent, objective and fair criteria. The Board of Directors has adopted goals to ensure inclusion and equal opportunities, consistent with the requirements imposed by Dutch law, during searches for new members at the level of both the Board and the Executive Committee, respectively.

Details on the current composition of the Board of Directors, and the background, experience and expertise of the individual members, can be found in the Report of the Board of Directors section of this Annual Report. Details on the current composition of the Executive Committee, and the background, experience and expertise of the individual members, can be found in the Executive Committee section of this Annual Report.

The current composition of the group of Non-Executive Directors exceeds the inclusion and equality requirements imposed by Dutch law and the Board's goal is to maintain compliance with these requirements in case of future nominations of new Non-Executive Directors.

The Board also strives for ensuring inclusion and equality within the Executive Committee (as designated subtop within the meaning of Dutch law), while each time satisfying the requirements for the relevant position and maintaining a balanced composition in terms of background, expertise and experience. The internal leadership development program has also been designed, amongst others, to promote inclusion and equal, merit-based opportunities.

Employee statistics, including details on the composition of our entire workforce, can be found on Social section as part of the Sustainability chapter in this Annual Report.

Works Council (the Netherlands)

The Dutch Works Council was established in January 2023, with nine elected members representing all departments and locations across the Netherlands. The Works Council is the statutory employee representation body in the Netherlands.

It has formal rights to advise on major organizational decisions and to consent to changes in working conditions, working hours, and other key employment policies. Through constructive dialogue with management, the Works Council acts as constructive and impactful voices for employees to ensure that employee perspectives are heard early and taken seriously.

In 2025, the Works Council played an active role in embedding changes of Pharming's leadership and organizational changes, providing critical input to decisions that directly impact our colleagues and the organization.

Board of Directors

Board of Directors: composition 2025

Until June 11, 2025, the Board of Directors comprised one Executive Director (also the Chief Executive Officer/CEO) and seven Non-Executive Directors. As per June 11, 2025, the Board of Directors was composed of one Executive Director (also the Chief Executive Officer/CEO) and six Non-Executive Directors

The terms of Deborah Jorn, Leonard Kruimer, Steven Baert and Jabine van der Meijs expired on the occasion of the Annual General Meeting of Shareholders on June 11, 2025. Leonard Kruimer and Jabine van der Meijs were reappointed by the Annual General Meeting of Shareholders on June 11, 2025, for a term of four years (expiring at the closing of the Annual General Meeting of Shareholders to be held in the year 2029).

Deborah Jorn and Steven Baert were not available for reappointment at the AGM on June 11, 2025. Elaine Sullivan was nominated and appointed as a new Non-Executive Director for a term of four years (expiring at the closing of the Annual General Meeting of Shareholders to be held in the year 2029). Mark Pykett was appointed by the Board of Directors as Vice-Chair as of the AGM on June 11, 2025, as successor to Deborah Jorn.

The composition of the Board of Directors reflects the Company's growth ambitions and long-term strategy and meets Dutch statutory requirements.

Details on the composition of the Board of Directors in 2025 are included in the following table:

Current members of the Board of Directors

Name	Position	(Re) appointments	Current Term
Richard Peters	Chairperson	2023	Up to September 25, 2027
Mark Pykett	Vice Chairperson	2020, 2024	Up to AGM in 2028
Fabrice Chouraqui	Chief Executive Officer and Executive Director	2025	Up to March 4, 2029
Barbara Yanni	Non-Executive Director	2020, 2024	Up to AGM in 2028
Leonard Kruimer	Non-Executive Director	2021, 2025	Up to AGM in 2029
Jabine van der Meijs	Non-Executive Director	2021, 2025	Up to AGM in 2029
Elaine Sullivan	Non-Executive Director	2025	Up to AGM in 2029

Past members of the Board of Directors

Sijmen de Vries	Chief Executive Officer and Executive Director	2008, 2013, 2017, 2021	Resigned at EGM March 4, 2025.
Deborah Jorn	Vice Chairperson	2019, 2023	Expired at AGM in 2025
Steven Baert	Non-Executive Director	2021	Expired at AGM in 2025

On October 24, 2024, Sijmen de Vries announced that he would not be available for reappointment upon the scheduled expiration of his term in the year 2025.

The Extraordinary General Meeting of Shareholders that was held on March 4, 2025, appointed Fabrice Chouraqui (date of birth: August 1, 1970, French national, U.S. citizen), upon the binding nomination of the Board of Directors, as the new Executive Director/CEO for a term of four years, effective as of the closing of the Extraordinary General Meeting of Shareholders and expiring at the closing of the Annual General Meeting of Shareholders to be held in the year 2029.

Sijmen de Vries resigned from the Board of Directors at that same moment. More details regarding the current members of the Board of Directors and the Executive Committee can be found on the Pharming website.

Board of Directors

Richard Peters, MD, PhD (1962)

Title
Chairman of the Board of Directors, Member of the Remuneration Committee, Member of the Corporate Governance Committee and Member of the Transaction Committee

Nationality
Belgian national, U.S. citizen

Date of initial appointment
September 25, 2023

Richard Peters has served as Chairman of the Board of Directors since September 25, 2023. He brings more than 30 years of experience across life sciences leadership and academia.

Other functions
Non-Executive Director for Aprea Therapeutics, and is the founder and Executive Chairperson of TellBio. He is also a corporate advisor to Aura Biosciences. Previously he served as Non-Executive Director for Kineta.

Read more about Richard Peters here

Mark Pykett, PhD, VMD, MBA (1964)

Title
Vice-Chair of the Board of Directors from June 11, 2025, Member of the Audit Committee and Member of the Transaction Committee

Nationality
American

Date of initial appointment
December 11, 2020

Mark Pykett has served as a Non-Executive Director since 2020. He brings more than 30 years of leadership experience across the biotechnology sector, spanning scientific, operational, and executive roles.

Other functions
Chief Executive Officer and Director of Orogen Therapeutics on the Board of Directors of the private company Myopax.

Read more about Mark Pykett here

Fabrice Chouraqui, PharmD, MBA (1970)

Title
Chief Executive Officer (CEO) and Executive Director effective from March 4, 2025.

Nationality
French national, U.S. citizen

Date of initial appointment
March 4, 2025

Appointed Chief Executive Officer (CEO) and Executive Director in March 2025. Fabrice Chouraqui is responsible for the company's strategy and day-to-day operations. He brings more than 30 years of global biopharma experience across R&D, commercialization, and venture-backed innovation.

Previously, he was a CEO-Partner at Flagship Pioneering and served as CEO of Cellarity, Inc. He spent a decade at Novartis, including as President of Novartis Pharmaceuticals USA, and senior leadership roles.

Other functions
Independent Board member of OranoMed, a subsidiary of Orano Group.

Read more about Fabrice Chouraqui here

Barbara Yanni, JD, LLM (1954)

Title
Non-Executive Director, Chairperson of the Transaction Committee, Member of the Remuneration Committee and Member of the Corporate Governance Committee

Nationality
American

Date of initial appointment
December 11, 2020

Barbara Yanni has served as a Non-Executive Director since 2020. She brings deep expertise in licensing, corporate development, and healthcare strategy and finance.

Other functions
Serves on the Board of Directors of Trevena, Inc., and two private biotechnology companies, Mesentech and Delsona Therapeutics.

She previously served on the boards of several biotechnology companies including Oncorus, Inc. (2021–2023) and Vaccinex (2015–2025).

Read more about Barbara Yanni here

Leonard Kruimer, MBA, CPA (1958)

Title
Non-Executive Director, Chairperson of the Audit Committee and Member of the Transaction Committee

Nationality
Dutch

Date of initial appointment
May 19, 2021

Leonard Kruimer has served as a Non-Executive Director since May 2021 and was reappointed at the AGM held on June 11, 2025, for a term of four years. He brings more than 40 years of experience in corporate finance, planning and strategy, including 25 years in senior executive roles within private and publicly listed biotechnology companies.

Other functions
Chairman of the Board at BioInvent International AB and serves as a board member of Zealand Pharma A/S and Basilea Pharmaceutica. He is also a Director of AI Global Investments (Netherlands) PCC Ltd.

Read more about Leonard Kruimer here

Jabine van der Meijs PharmD, MSc, ACMA/CGMA (1966)

Title
Non-Executive Director, Chairperson of the Corporate Governance Committee, Member of the Audit Committee and Member of the Remuneration Committee

Nationality
Dutch

Date of initial appointment
May 19, 2021

Jabine van der Meijs has served as a Non-Executive Director since May 2021 and was reappointed at the AGM held on June 11, 2025, for a term of four years. She brings more than 30 years of senior leadership experience across finance, strategy and HR in global energy and airport management, with executive roles in the Netherlands, Scotland, England, Brunei and Australia.

Other functions
Non-Executive Director at VFS Global AG and Grundfos Holding A/S and serves on the Supervisory Boards of Chane and the Centre for Human Drug Research.

Read more about Jabine van der Meijs here

Elaine Sullivan, PhD (1961)

Title
Non-Executive Director, Chairperson of the Remuneration Committee and Member of the Audit Committee

Nationality
British and Irish citizen

Date of initial appointment
June 11, 2025

Elaine Sullivan has served as a Non-Executive Director since June 2025. She brings more than 25 years of international experience in the pharmaceutical and biotechnology industry, spanning R&D leadership, business development, and company creation.

Other functions
Serves on the Board of Directors of Zealand Pharma A/S, senior non-executive at hVIVO and Non-Executive Director of Ochre Bio. In addition, she is a member of the Scientific Advisory Board of Poolbeg Pharma plc.

Previously served as a Non-Executive Director at IP Group plc., Evotec AG, Active Biotech AB and Nykode Therapeutics ASA.

Read more about Elaine Sullivan here

Past members

Sijmen de Vries, MD, MBA (1959)

Title Chief Executive Officer (CEO) and Executive Director, until March 4, 2025
Nationality Dutch
Date of initial appointment October 13, 2008

Sijmen de Vries was our Chief Executive Officer (CEO) and Executive Officer from 2008 until his resignation at the EGM held on March 4, 2025, following the appointment of Fabrice Chouraqui as our new CEO. To ensure a smooth hand-over of tasks and responsibilities, Sijmen remained a strategic advisor to the new CEO until December 31, 2025.

Deborah Jorn, MBA (1958)

Title Vice-Chair of the Board of Directors, Member of the Remuneration Committee and Member of the Audit Committee until June 11, 2025
Nationality American
Date of initial appointment May 22, 2019

Deborah Jorn served as a Non-Executive Director from 2019, until her term ended at the AGM held on June 11, 2025.

Steven Baert (1974)

Title Non-Executive Director, Chairperson of the Remuneration Committee and Member of the Corporate Governance Committee up until June 11, 2025
Nationality Belgian, Swiss citizen until March 31, 2023, U.S. citizen since April 1, 2023
Date of initial appointment May 19, 2021

Steven Baert served as a Non-Executive Director from 2021, until his term ended at the AGM held on June 11, 2025.

Executive Committee

Executive committee: composition 2025

The non-statutory Executive Committee supports the CEO with the execution of his tasks and responsibilities as Executive Director. Accordingly, the CEO is supported by the Executive Committee members in managing Pharming's day-to-day operations, ensuring sufficient oversight, and the execution of the strategy and all other goals and objectives across the organization.

The Board of Directors adopted a charter for the Executive Committee that governs the procedures and the tasks and responsibilities of the Executive Committee, in accordance with the Board Rules. The Executive Committee Charter is compliant with Dutch Corporate law and the DCGC, as well as applicable U.S. rules. The Executive Committee Charter, which is evaluated at least every two years, has been published on the Company's website.

The members of the Executive Committee report to the CEO. The CEO also chairs the meetings of the Executive Committee. The Board of Directors regularly receives business updates from the Executive Committee that are discussed during the scheduled meetings of the Board of Directors.

The members of the Executive Committee also attend, as guests, the meetings of the Board of Directors held to discuss the quarterly and full year results, the Annual Report, the annual goals and objectives and the annual budget. Finally, the Board Rules specify those matters that require a decision by the full Board of Directors.

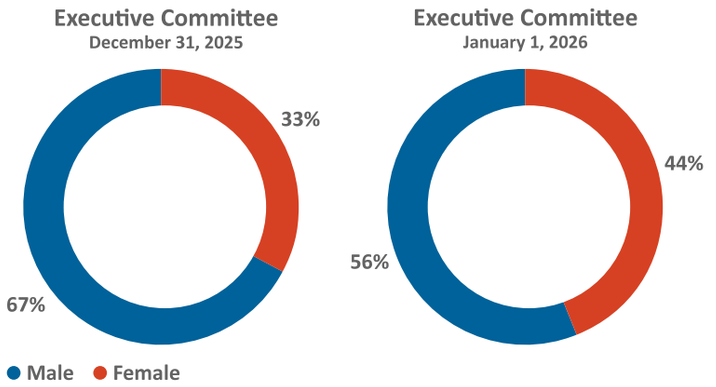
Details on the composition in 2025 of the Executive Committee, who are referred to as Executive Officers, including their respective positions in 2025 are included in the following table:

Current members of the Executive Committee

Name	Year of birth	Gender	Position	First appointed in managerial capacity
Executive Director/Chair				
Fabrice Chouraqui	1970	Male	Chief Executive Officer and Executive Director	March 4, 2025
Executive Officers				
Kenneth Lynard	1968	Male	Chief Financial Officer	October 1, 2025
Anurag Relan	1972	Male	Chief Medical Officer	June 1, 2021
Leverne Marsh	1976	Female	Chief Commercial Officer	January 1, 2026
Mireille Sanders	1968	Female	Chief Operations Officer	August 1, 2019
Ruud van Outersterp	1964	Male	Chief Legal & Compliance Officer	May 1, 2021
Alexander Breidenbach	1963	Male	Chief Business Officer	September 1, 2023
Inés Bernal	1977	Female	Chief People Officer	December 1, 2024
Maryana Reurings-Tsiganko	1988	Female	Vice President, Strategy & Operations	November 1, 2025

Past members of the Executive Committee

Executive Director/Chair				
Sijmen de Vries	1959	Male	Chief Executive Officer and Executive Director	October 13, 2008. Resigned on March 4, 2025
Executive Officers				
Jeroen Wakkerman	1969	Male	Chief Financial Officer	November 16, 2020 up until May 30, 2025
Stephen Toor	1971	Male	Chief Commercial Officer	January 1, 2017 up until December 31, 2025



On May 8, 2025, we announced that Jeroen Wakkerman would leave as Chief Financial Officer (CFO) to pursue other opportunities. On September 2, 2025, we announced that Kenneth Lynard was appointed as the new CFO, effective October 1, 2025.

Maryana Reurings-Tsiganko was appointed as Vice President, Strategy & Operations, effective November 1, 2025. In that new role, Maryana will serve as a strategy partner to the leadership group, overseeing the development and execution of our long-term strategy and leading cross-functional initiatives.

On November 6, 2025, we announced that Leverne Marsh had been appointed Chief Commercial Officer effective January 1, 2026, succeeding Stephen Toor, who stepped down on December 31, 2025, but remains an advisor to the company. Leverne brings extensive experience across the commercial landscape, which will be instrumental as we continue executing our strategy to become a leading global rare disease company.

More details regarding the current members of the Board of Directors and the Executive Committee can be found on the Pharming website.

“ It’s the time that [HAE] has taken from you. So the time that you're away from your family members, the times that you can't go to events at your children's school or even just feel comfortable leaving the house …. The time that it snatches from you.”

Patient living with HAE

Executive Committee

Fabrice Chouraqui, PharmD, MBA (1970)

Title
Chief Executive Officer (CEO) and Executive Director effective from March 4, 2025.

Nationality
French national, U.S. citizen

Date of initial appointment
March 4, 2025

Appointed Chief Executive Officer (CEO) and Executive Director in March 2025. Fabrice Chouraqui is responsible for the Pharming's strategy and day-to-day operations. He brings more than 30 years of global biopharma experience across R&D, commercialization, and venture-backed innovation.

Previously, he was a CEO-Partner at Flagship Pioneering and served as CEO of Cellarity, Inc. He spent a decade at Novartis, including as President of Novartis Pharmaceuticals USA, and senior leadership roles.

Other functions
Independent Board member of OranoMed, a subsidiary of Orano Group.

Read more about Fabrice Chouraqui here

Kenneth Lynard, MSc, EMBA (1968)

Title
Chief Financial Officer, effective from October 1, 2025

Nationality
Danish

Date of initial appointment
October 1, 2025

Since October 2025, Kenneth Lynard has served as Chief Financial Officer (CFO) of Pharming. He is committed to strengthening Pharming's financial and operational foundation to support innovation, help expand patient access, and deliver sustainable long-term value creation.

Kenneth Lynard brings nearly three decades of international finance leadership, including more than 20 years in the global life sciences industry. He has held senior finance roles across the United States and Europe, supporting both established pharmaceutical companies and growth-stage biopharmaceutical organizations. Prior to joining Pharming, Kenneth served as CFO at Schoeller Allibert and previously held CFO positions at Zentiva and Affidea, as well as senior leadership roles at Gilead Sciences.

Read more about Kenneth Lynard here

Anurag Relan, MD, MPH (1972)

Title
Chief Medical Officer

Nationality
American

Date of initial appointment
June 1, 2021

Anurag Relan has been an integral part of Pharming for nearly two decades and was appointed Chief Medical Officer (CMO) in June 2021. He leads Pharming's global medical strategy, including clinical development, regulatory engagement, patient safety, and medical affairs.

Previously, as Vice President of Clinical Research and Medical Affairs, Anurag led the clinical development program that supported approval of both our commercial products. Anurag began his career in clinical practice and academic medicine, teaching residents and medical students at the University of California, Los Angeles Medical Center, and he continues to practice as a physician.

Read more about Anurag Relan here

Leverne Marsh, BPharm (1976)

Title
Chief Commercial Officer, effective as of January 1, 2026

Nationality
American

Date of initial appointment
January 1, 2026

Appointed Chief Commercial Officer (CCO) in January 2026, Leverne Marsh leads Pharming's global commercial strategy across market access, marketing, sales, and lifecycle management. She combines deep commercial expertise with practical experience applying AI and analytics to shape customer insight.

Leverne brings nearly 30 years of life-sciences commercial leadership. She has held senior roles at Novartis, where she led major product launches and served as Chief Product Officer and Head of Strategy, and at Dexcom, where she was Executive Vice President, Marketing, driving growth and international expansion.

Read more about Leverne Marsh here

Mireille Sanders, MSc (1968)

Title
Chief Operations Officer

Nationality
Dutch

Date of Initial appointment
August 1, 2019

Appointed Chief Operations Officer (COO) in 2020, Mireille Sanders oversees Pharming's end-to-end operations, from development and manufacturing to quality and distribution of commercial and clinical supplies.

Mireille joined Pharming as Senior Vice President of Operations in 2019. She brings 30 years of operational leadership across the life-sciences sector, including senior roles at Janssen Pharmaceuticals (Head of Clinical Supply Chain Strategic Management and Systems) and MSD/ Merck. Her experience spans global clinical supply, commercial manufacturing partnerships, and strategic operational transformation.

Other functions
Represents Pharming on the Supervisory Board of BioConnection.

Read more about Mireille Sanders here

Ruud van Outersterp (1964)

Title
Chief Legal & Compliance Officer & Company Secretary

Nationality
Dutch

Date of initial appointment
May 1, 2021

Appointed Chief Ethics and Compliance Officer in 2021. Ruud's role was updated in 2025 to Chief Legal and Compliance Officer (CLCO) and Company Secretary. He leads Pharming's global legal, compliance, and governance activities, ensuring the company operates with integrity across drug development and commercialization.

Ruud first joined Pharming in 2020 as Company Secretary, and held that role until April 2022. He brings more than 35 years of legal leadership experience across financial services, aerospace, and life sciences.

Other functions
Serves on the Supervisory Board of a Dutch healthcare institution and he teaches corporate governance at the Governance Academy in the Netherlands.

Read more about Ruud van Outersterp here

Alexander Breidenbach, PhD, MBA (1963)

Title
Chief Business Officer

Nationality
German

Date of initial appointment
September 1, 2023

Appointed Chief Business Officer (CBO) in September 2023, Alexander Breidenbach leads Pharming's growth strategy and business development agenda. He is responsible for evaluating and executing partnerships and transactions that strengthen the company's portfolio and long-term value. Alexander brings more than 25 years of global experiences across partnering, R&D and management in the biosciences sector.

Prior to joining Pharming, he served as Chief Business and Chief Development Officer at ACM Biosciences AG and held a range of senior leadership roles at Roche Partnering. Earlier in his career, he began as a senior scientist in pharmacology.

Read more about Alexander Breidenbach here

Inés Bernal (1977)

Title
Chief People Officer

Nationality
Australian

Date of initial appointment
December 1, 2024

Inés Bernal has served as Pharming's Chief People Officer (CPO) since December 2024. She leads Pharming's global people and culture strategy, overseeing talent, leadership development, organizational effectiveness, and core HR capabilities.Inés brings more than 25 years of human resources leadership across global organizations.

Prior to joining Pharming, she was Global Vice President, Human Resources at Celanese Corporation. Earlier, she held senior HR roles across a range of industries, including GlaxoSmithKline, Yum! Restaurants (KFC, Taco Bell, Pizza Hut), and The Boeing Company.

Read more about Inés Bernal here

Maryana Reurings-Tsiganko, MBA, CIA, CISA, CFE (1988)

Title
Vice President, Strategy & Operations

Nationality
American and Dutch

Date of initial appointment
November 1, 2025

Appointed Vice President, Strategy & Operations in November 2025, Maryana Reurings-Tsiganko serves as a strategy partner to our leadership team. She oversees the development and execution of our long-term strategy and leads key cross-functional initiatives that strengthen how the organization operates and delivers.

Maryana joined Pharming in May 2021 and has held several leadership roles across the business, most recently serving as Interim Head of Finance and IT and as Program Director for end-to-end process transformation. She brings more than 15 years of experience across corporate finance, strategic operations, risk management, IT security, and internal audit and control, with prior senior roles at Sherwin Williams, Avery Dennison, OCI N.V., PNC, and KeyBank.

Read more about Maryana Reurings-Tsiganko here

Past members

Sijmen de Vries, MD, MBA (1959)

Title Chief Executive Officer and Executive Director, until March 4, 2025
Nationality Dutch
Date of initial appointment October 13, 2008

Sijmen de Vries was Chief Executive Officer and Executive Officer from 2008 until his resignation at the EGM held on March 4, 2025, following the appointment of Fabrice Chouraqui as new CEO.

To ensure a smooth hand-over of tasks and responsibilities, Sijmen remained a strategic advisor to the new CEO until December 31, 2025.

Jeroen Wakkerman (1969)

Title Chief Financial Officer, until May 30, 2025
Nationality Dutch
Date of initial appointment November 16, 2020

Jeroen Wakkerman was Chief Financial Officer from 2020 until end of May 2025. Prior to joining Pharming, Jeroen served as Chief Financial Officer of Nutreco N.V., a global leader in animal nutrition and aqua feed.

Stephen Toor (1971)

Title Chief Commercial Officer, until December 31, 2025
Nationality American
Date of initial appointment January 1, 2017

Stephen Toor was Chief Commercial Officer (CCO) from 2020 until end of 2025, but remains an advisor to the company. Prior to his role as CCO, Stephen served as President and General Manager of Pharming Healthcare, Inc., our US subsidiary, and also oversaw the broader Americas region.

Report of the Board of Directors

Composition and independence

The (changes in the) composition of the Board of Directors for the financial year 2025 can be found in the section Board of Directors: composition 2025.

In the opinion of the Board of Directors, as verified annually, all Non-Executive Directors meet the independence requirements referred to in best practice provisions 2.1.7 to 2.1.9 inclusive of the DCGC as of December 31, 2025.

The Board Rules require each Director to promptly report any actual or potential conflict of interest. Directors are also required to disclose any other board positions. An up-to-date overview of other board positions held by the current members of the Board of Directors can be found on our website.

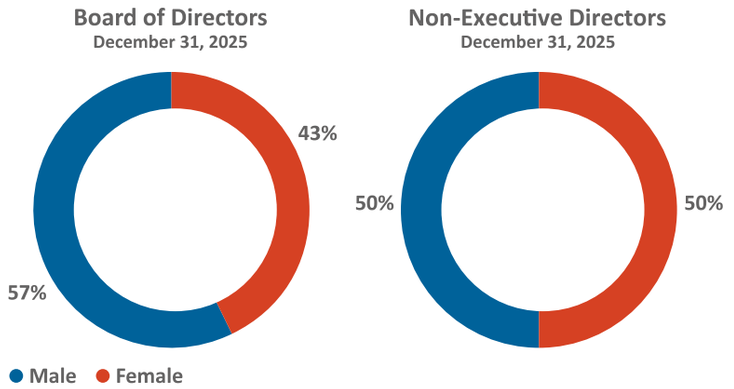
Details on the remuneration paid to the members of the Board of Directors, including a summary of the prevailing Remuneration Policy for the Board of Directors, as adopted by the General Meeting of Shareholders on May 21, 2024, can be found in the section Remuneration Report 2025 in this Annual Report. To the extent required, the Remuneration Report is incorporated herein by reference.

Board of Directors

Name	Year of birth	Gender	Nationality
Fabrice Chouraqui	1970	Male	French (U.S. citizen)
Richard Peters	1962	Male	Belgian (U.S. citizen)
Mark Pykett	1964	Male	American
Barbara Yanni	1954	Female	American
Leonard Kruimer	1958	Male	Dutch
Jabine van der Meijs	1966	Female	Dutch
Elaine Sullivan	1961	Female	British and Irish

Past members

Sijmen de Vries	1959	Male	Dutch
Deborah Jorn	1958	Female	American
Steven Baert	1974	Male	Belgian (U.S. resident)



Activities

Frequency of meetings

The Board of Directors held eleven scheduled meetings in 2025, including in-person meetings in March and November in the U.S., and in June and August in the Netherlands. The in-person meetings included each time two meetings during two consecutive days. In 2024, the Board held twelve scheduled meetings but only two times for two days. The Board of Directors also held four extra online meetings, bringing the total number of meetings for 2025 to fifteen.

Committee meetings were also held during the in-person meetings (please refer to the subsequent subsections on the Committees). The other meetings were held using virtual meeting facilities.

All members of the Board of Directors attended the Annual General Meeting of Shareholders held on June 11, 2025, either in person or online.

The Executive Director attended each of the meetings of the Board of Directors, except for when the performance and the remuneration of the Executive Director were discussed, and related voting took place.

The members of the Executive Committee also attended the scheduled quarterly meetings of the Board of Directors for business and budget updates, the quarterly results, the 2024 Annual Report and the 2026 annual budget.

In addition to the scheduled meetings, the Non-Executive Directors attended several online meetings in connection with the search process for a new CEO, in anticipation of the scheduled expiration of the mandate of Mr. Sijmen de Vries, as CEO. Reference is made to the paragraph summary of specific activities below.

The individual presence (P) or absence (A) of the Non-Executive Directors during the scheduled meetings in 2025, based on their respective time in office, is reflected in the following schedule:

Date	March 11	March 12	April 2*	May 7*	June 10	June 11	July 30*	August 27	August 28	November 4	November 5	% Present during 2025 (based on time in office)
Richard Peters	P	P	P	A	P	P	P	P	P	P	P	91%
Deborah Jorn	P	P	P	P	P	A	N/A	N/A	N/A	N/A	N/A	83%
Barbara Yanni	P	P	P	P	P	P	P	P	P	P	P	100%
Mark Pykett	P	P	P	P	P	P	P	P	P	P	P	100%
Jabine van der Meijs	P	P	P	P	P	P	P	P	P	P	P	100%
Leonard Kruimer	P	P	P	P	P	P	P	P	P	P	P	100%
Steven Baert	P	P	A	A	P	A	N/A	N/A	N/A	N/A	N/A	50%
Elaine Sullivan	N/A	N/A	N/A	N/A	P	P	P	P	P	P	P	100%

* One-hour meeting for the review and approval of the outcomes of the analysis and the recommendations of the Audit Committee.

Summary of specific activities

As described in the section Board of Directors: composition 2025, the composition of the Board of Directors changed in the year 2025. The Board started the search process, which was led by the Corporate Governance Committee, that resulted in the nomination and appointment of Fabrice Chouraqui as the new Executive Director and CEO.

All Non-Executive Directors were regularly updated and consulted and also participated in the interviews with the candidates on the short-list. Following these interviews, the Board unanimously concluded that Fabrice Chouraqui would be the right candidate to take over the executive leadership of Pharming and the Board of Directors adopted a resolution, upon the recommendation of the Corporate Governance Committee, to nominate Fabrice Chouraqui to the Extraordinary General Meeting of Shareholders (EGM) that was convened on March 4, 2025. The Board of Directors also approved, upon the recommendation of the Remuneration Committee, the package agreed with Sijmen de Vries in view of his resignation at the EGM.

In addition, the Board conducted the search process, which was also led by the Corporate Governance Committee, that resulted in the nomination and appointment of Elaine Sullivan as the new Non-Executive Director at the AGM held on June 11, 2025. The Board of Directors adopted a resolution, upon the recommendation of the Corporate Governance Committee, to nominate Elaine Sullivan during an extra meeting held on April 27, 2025. The Board also decided upon changes in the composition of the Board committees. More details can be found in the reports from the respective committees as included below in this chapter.

During the scheduled meetings, the Board of Directors regularly discussed the Company's long-term strategy and the accompanying risks.

Building on these updates and discussions, the Board of Directors, during the meeting on March 12, 2025, discussed and approved the annual goals and objectives for 2025 as proposed by the Executive Director — together with the Executive Committee — to support the execution of the Company's long-term strategy.

The Board of Directors was regularly updated by the Executive Director and the Executive Committee during the scheduled quarterly meetings on the progress made in the further execution of the Company's strategy. Recurring topics discussed at these updates included commercial performance (sales results, forecasts and other developments with regards to RUCONEST®, in the U.S., Europe and the rest of the world, and Joenja® in the U.S.), the Group's financial performance and ongoing clinical studies and product development programs. A tracker report, summarizing the performance on the specific Company's annual goals and objectives, was part of the quarterly updates. The Board of Directors was, accordingly, also updated regarding the performance on the revenue guidance disclosed to the market, and supported by the Audit Committee, approved the recommended increase of the earlier guidance on the occasion of the publication of the 2Q and 3Q results, respectively, taking into consideration the continued strong performance of the Company.

The Board of Directors discussed with the CEO and the Executive Committee at several occasions the developments regarding the US tariffs and Most Favored Nations (MFN) executive orders issued by the US administration, including the potential mitigating actions under review. The Board of Directors also discussed with the CEO and the Executive Committee, and adopted the required decisions for, the proposed implementation of the organizational restructuring in October 2026. The Board of Directors was kept informed by the CEO and the Executive Committee on the implementation and also on the steps taken to amplify the biotech culture across Pharming.

Among the other important topics covered by the Board in 2025 during its scheduled quarterly meetings were the review, discussion and, if applicable, endorsement and approval of:

- the Annual Report for the financial year 2024;
- the filing of the 2024 Annual Report on Form 20-F with the SEC;
- the quarterly and full year financial and operational results, including related press releases;
- the proposed grant of share-based compensation to staff members;
- the annual budget for 2026; and
- the Company's long-term goals and objectives.

The Board of Directors, supported by the Audit Committee, discussed at least quarterly with the CEO and the members of the Executive Committee the enterprise, operational, compliance, financial and other risks to which the Company is exposed and the functioning of the Company's internal risk control framework and enterprise risk framework. The progress made in resolving the remaining two material weaknesses in the internal controls, as explained in the Annual Report for the year 2024, related to Pharming's Nasdaq listing and the SOX 404 control framework, was among the matters discussed. Reference is made to the section Risk management and internal control in this Annual Report.

Supported by the Audit Committee, the Board of Directors also reviewed and discussed the management letter, the audit report and the audit plan, respectively, as submitted by the external auditor, and the outcome of the annual evaluation of the performance by the external auditor. The process lead by the Audit Committee for the selection and nomination of the external auditor, in preparation for the AGM in May 2026, was also regularly discussed. Supported by the Audit Committee the Board of Directors also reviewed and discussed the internal audit plan, internal audit charter and audit reports, respectively, as submitted by the internal Audit department.

Throughout the year, the Board of Directors, supported by its Transaction Committee, reviewed certain business development opportunities presented by the Executive Committee. For reasons of confidentiality, taking into consideration Pharming's status of listed company, no further details are provided on any of the other business development opportunities that were considered.

The Board of Directors was regularly updated by the Executive Director and the Executive Committee on the status of the regulatory approval process for leniolisib, including the EMA review.

The Board of Directors was also updated regularly on the international launch plans for leniolisib.

The Board of Directors was also regularly updated and approved, the plans for the integration of Abliva AB and its subsidiaries, following the successful completion of the acquisition of Abliva.

The Executive Committee presented to the Board the updated sustainability (ESG) Program for Pharming, as Pharming is no longer in scope of the mandatory, regulatory reporting requirements. Reference is made to the separate section Sustainability in this Annual Report.

The Board of Directors discussed on March 12, 2025, the performance by the Executive Director/CEO during the year 2024. This discussion was based on an evaluation by the Corporate Governance Committee and the Remuneration Committee of the Executive Director/CEO's performance on the goals and objectives that had been agreed upon. That same process was followed in the first quarter of 2026 for the evaluation of the Executive Director/CEO's performance on the goals and objectives agreed upon for 2025.

During the meeting on March 12, 2025, the Board of Directors endorsed the recommendations by the committees on performance scores and the resulting pay-out for 2024 under the incentive plans as approved by our shareholders in May 2024.

During the meeting on March 11, 2026, the Board of Directors endorsed the recommendations by the committees on performance scores and the resulting pay-out for 2025 under the incentive plans as approved by our shareholders in May 2024. Reference is made to the section Remuneration Report 2025.

The Board of Directors also was consulted on the search for the new Chief Financial Officer, Kenneth Lynard, who was appointed as per October 1, 2025, and the new Chief Commercial Officer, Leverne Marsh, who was appointed as per January 1, 2026. The Board of Directors adopted written resolutions to approve their appointments and remuneration packages, based upon recommendations by the Corporate Governance Committee and the Remuneration Committee, respectively.

To preserve good governance, both the Board of Directors and the respective committees, installed by the Board of Directors, conduct a self-evaluation annually. In accordance with the DCGC, these evaluations generally cover the work and functioning of the Board of Directors, and include the activities in relation to the key objectives and long-term strategy of the Company, the interaction among the members and in relation to the Executive Committee, lessons learned, and finally, the structure and composition of the Board of Directors to ensure that the members bring the correct skill sets and background knowledge for the benefit of the Company.

The self-evaluation for the committees also extends to the activities and functioning (including decision-making processes) of the committees. Finally, the self-evaluation covers the effectiveness of the Board Rules and the charters that govern the activities and decision-making processes by the Board of Directors and each of the committees, respectively.

The self-evaluation for the year 2025 was held based on the results from an online survey which was completed by the members of the Board of Directors. A self-evaluation, supported by a third-party consultant, is scheduled for 2026. The main findings and proposed follow up actions based on the self-evaluation in 2025 were discussed by the Corporate Governance Committee during their meeting on November 5, 2025, and also shared with the full Board of Directors during the meeting held on the same day. In summary, positive feedback was received on the board dynamics and discussions, the size, composition and expertise of the Board of Directors and the committees. Areas were identified for training/deep dives in 2026 to further strengthen the Board's knowledge and support its oversight role, including risk management in areas like supply chain and IT and AI (each time focusing on the role and responsibilities of the Board). The Board also wish to receive further insights into patient experiences from the Executive Committee.

Throughout the year 2025, the Board of Directors also engaged in several training and development initiatives to support the Board in the exercise of its oversight capabilities. Amongst others, Board members participated in a training led by a leading law firm on its fiduciary duties in case of an unsolicited or solicited takeover bid from a third-party bidder. The Board also participated in a deep dive session on the napazimone (KL1333) program, targeting mtDNA-driven mitochondrial disease including the background and symptoms of the disease and first study findings.

Committee activities in 2025

Audit Committee

The Audit Committee supports the Board of Directors in monitoring and ensuring the integrity of the Company's financial reporting. The committee related tasks and responsibilities include, without limitation:

- the supervision and monitoring of the financial accounting process;
- the monitoring of the effectiveness of the Company's internal management system, internal audit system, and internal risk management and control systems;
- the review of intended material financial disclosures by the Company (including the Annual Report, the Annual Report on Form 20-F, quarterly results and the related draft press releases);
- the review of disclosures in applicable filings as required by the U.S. Securities Act, the Exchange Act and their related rules;
- the appointment of the Director Audit & Risk, the monitoring of the independence of the internal audit department and the annual evaluation of the internal audit department's performance;
- the review of the internal audit plan and audit reports, respectively;
- the nomination for (re)appointment or dismissal of the external auditor, the monitoring of the external auditor's independence and the annual evaluation of the external auditor's performance;
- the review of the external auditor's audit plan, management letter and audit report, respectively;
- the monitoring of the Company's funding, application of information and communication technology by the Company, including risks relating to cybersecurity, and the Company's tax policy; and
- the monitoring the Company's ESG initiatives and disclosure to ensure alignment with regulatory requirements, stakeholder expectations and the Company's strategic objectives.

The Audit Committee is governed by a charter that complies with the best practice provisions of the DCGC and applicable Nasdaq rules. The charter was last updated on March 20, 2024, following an evaluation by the Audit Committee of the charter previously approved in December 2020.

Until August 28, 2025, the Audit Committee consisted of Leonard Kruimer (Chairperson), Deborah Jorn (until June 11, 2025), Barbara Yanni and Jabine van der Meijs. As of August 28, 2025, the Audit Committee consisted of Leonard Kruimer (Chairperson), Mark Pykett, Jabine van der Meijs and Elaine Sullivan. The composition of our Audit Committee is consistent with the best practice provisions of the DCGC and with applicable SEC and Nasdaq regulations.

The Audit Committee met five times in 2025 (2024: six times), either virtually or in person (in the USA on March 13, 2025, and November 4, 2025). The external auditor, Deloitte Accountants B.V. (Deloitte) attended each meeting of the Audit Committee. The CEO and, to the extent in office, the CFO attended all meetings of the Audit Committee as guests.

The individual presence (P) or absence (A) of the members of the Audit Committee, based on their time in office in 2025, is reflected in the following schedule:

Date	March 11	April 1	May 6	July 29	Nov. 4	% Present during 2025 (based on time in office)
Leonard Kruimer	P	P	P	P	P	100 %
Deborah Jorn	P	P	P	N/A	N/A	100 %
Barbara Yanni	P	P	P	P	N/A	100 %
Jabine van der Meijs	P	P	P	P	P	100 %
Elaine Sullivan	N/A	N/A	N/A	P	P	100 %
Mark Pykett	N/A	N/A	N/A	N/A	P	100 %

Activities in 2025

During the scheduled Audit Committee meetings held in 2025, the Committee reviewed and discussed: the quarterly and full year financial statements. During the meeting on April 1, 2025 the Annual Report 2024 and the Annual Report 2024 on Form 20-F were presented and discussed, together with the presentation by Deloitte of the outcome of the audit for 2024. The draft press releases were also, each time discussed and each review resulted in a recommendation to the Board of Directors for approval and publication. The Audit Committee, during its review, monitored the financial statements, the sales revenues and underlying trends, the financing costs, cost control measures, the supply inventories, developments in the company's cash position and cash flow, and the impact of currency exchange risks on presented company results.

During the meetings held on July 29 and November 4, the proposal from management to increase the 2025 full-year revenue guidance was discussed, taking into consideration the strong quarterly performance by the company. The Audit Committee was also kept updated during each meeting on the developments regarding the US tariffs and Most Favored Nations (MFN) executive orders issued by the US administration, including the potential mitigating actions.

The Audit Committee also received updates on IT and cybersecurity and, every quarter, outstanding material legal and compliance risks.

The Audit Committee reviewed and discussed the external auditor's 2025 audit plan (including proposed fees) and the management letter submitted by the external auditor. The Audit Committee approved the 2025 audit plan at the meeting held on July 29, 2025. The 2025 Audit Plan and the draft management letters were also shared and discussed with, and endorsed by the full Board of Directors.

The Audit Committee was updated by the CFO and the Director Audit & Risk during each of its scheduled meetings on the status of the implementation of the enhanced internal control framework and enterprise risk management for compliance by the Company with the U.S. Sarbanes-Oxley Act, Public Company Accounting Oversight Board (PCAOB) and other applicable accounting standards. The progress made in resolving the remaining two material weaknesses in the internal controls, as explained in the Annual Report for the year 2024, related to Pharming's Nasdaq listing and the SOX 404 control framework, was among the matters discussed.

The Audit Committee also reviewed and discussed the internal audit reports during the year, including key findings, recommendations and management responses, to ensure the adequacy and effectiveness of internal controls and risk management processes. The results of the 2025 annual re-assessment of enterprise risks were discussed during the meeting on November 4, 2025.The Audit Committee updated the Board of Directors during its scheduled meetings.

The Audit Committee also conducted an annual review of the Related Person Transactions within the meaning of the Company's Related Person Policy. The Audit Committee concluded on November 4, 2025, based on the information gathered, that (i) each of these transactions was entered into in the ordinary course of business, and (ii) without the involvement of the relevant related persons. Accordingly, the Audit Committee ratified these transactions in accordance with the prevailing policy. Reference is made to note 16. Related Party Transactions for the relevant transactions as per December 31, 2025.

Deloitte was appointed by the General Meeting of Shareholders held on June 11, 2025, as external auditor for the financial year 2025. During its meeting on April 2, 2025, the Audit Committee discussed and confirmed the independence of the external auditor. The Audit Committee discussed during its meeting on March 11, 2025, the outcome of the evaluation and the performance of Deloitte and its duties as external auditor for the financial year 2025. The evaluation resulted in an overall positive outcome.

The Audit Committee decided during its meeting on July 29, 2025, to start the search for a new external auditor for the audit from the financial year 2026 onwards. The selection process was decided to be lead by the Chair of the Audit Committee, based on a process outline approved by the Audit Committee and endorsed by the Board. The Audit Committee and the Board were kept informed on the progress by the Chair of the Audit Committee.

During the meeting held on May 6, 2025, the Audit Committee reviewed and discussed the CAPEX policy and Corporate Treasury Policy and made a recommendation to the Board of Directors to approve the revised policies and the Board of Directors followed that recommendation at its meeting held on May 7, 2025.

During its meeting of March 11, 2025, the Audit Committee was updated on Pharming's ESG program. Due to the EU Omnibus directive, Pharming is out of scope for the statutory reporting requirements. The Audit Committee endorsed the proposal to keep the ESG framework and other infrastructure in place but to update the program to meet Pharming's needs.

More details can be found in the Sustainability section of this annual report.

Remuneration Committee

The tasks performed by the Remuneration Committee includes, amongst many items, the preparation and proposals, for the compensation of individual members of our Board of Directors, in accordance with the remuneration policy as adopted by our shareholders, as well as preparing our Remuneration Report to be included in our Annual Report.

Until August 28, 2025, the Remuneration Committee consisted of Steven Baert as Chair (until June 11, 2025), and Deborah Jorn (until June 11, 2025), Mark Pykett and Jabine van der Meijs (interim chair from June 11, 2025 onwards) as members. Since August 28, 2025, the Remuneration Committee consisted of Elaine Sullivan as Chair, and Jabine van der Meijs, Barbara Yanni and Richard Peters as Members. The composition of our Remuneration Committee is consistent with the best practice provisions of the DCGC, SEC and Nasdaq requirements.

The Remuneration Committee met four times in 2025 (2024: five times), including a combined meeting with the Corporate Governance Committee on January 21, 2025. The meeting on March 12, 2025, was held in the USA. The other meetings were held virtually.

The individual presence (P) or absence (A) of the members of the Remuneration Committee, based on their time in office in 2025, is reflected in the following schedule:

Date	January 21	March 12	October 9	October 22	% Present during 2025 (based on time in office)
Steven Baert	P	P	N/A	N/A	100%
Deborah Jorn	P	P	N/A	N/A	100%
Mark Pykett	P	P	P	P	100%
Jabine van der Meijs	P	P	P	P	100%
Elaine Sullivan	N/A	N/A	P	P	100%
Richard Peters	N/A	N/A	P	P	100%

The Remuneration Committee is governed by a charter that complies with the best practice provisions of the DCGC and applicable Nasdaq rules. The charter was last updated on March 20, 2024, following an evaluation by the Remuneration Committee of the charter previously approved in December 2020.

Activities in 2025

During the meeting held on January 21, 2025, which was a joint meeting of the Remuneration Committee and the Corporate Governance Committee, the Remuneration Committee discussed the performance on the targets set for the incentive arrangements for the Executive Director/CEO and the members of the Executive Committee, including the determination for 2024 of the cash bonus and the vesting percentage for the restricted performance shares for the performance period 2022-2024.

During the meeting of January 21, 2025, the Remuneration Committee received an overview of the (1) Benefits & Perks of the Executive Committee members in the US and the Netherlands and the (2) pension plans in place in major countries.

The Remuneration Committee also decided during the same meeting to engage an independent external consultant for a benchmark of the remuneration of the Executive Committee. The results were discussed by the Remuneration Committee during its meeting on August 27, 2025.

During the meeting held on March 12, 2025, the Remuneration Committee discussed the company-wide goals and objectives as proposed by Fabrice Chouraqui, as the new Executive Director, and the Executive Committee for the short-term incentive plan 2025 and the long-term incentive plan 2025-2027. Related recommendations were submitted to the Board of Directors.

During the meeting on March 12, 2025, the Remuneration Committee also decided on the recommendation to the Board to grant the new CEO and the members of the Executive Committee restricted performance shares for the performance period 2025-2027. The meetings resulted in recommendations on each of the agenda items that were submitted to, and endorsed by, the Board of Directors on March 12, 2025.

The Remuneration Committee was consulted on the remuneration package to be paid to Fabrice Chouraqui, as the new CEO, during the search process and initiated, amongst others, an external benchmark analysis to ensure consistency of the package with market standards in the US, the country of residence of Fabrice Chouraqui. The Remuneration Committee was also consulted on the package agreed with Sijmen de Vries, in view of his resignation as CEO with effect from the EGM on March 4, 2025. More details can be found in the Remuneration Report as included in this Annual Report. The Remuneration Committee adopted written resolutions regarding the remuneration package granted to Fabrice Chouraqui and the package agreed with Sijmen de Vries.

The Remuneration Committee was also consulted on the proposed remuneration package for Kenneth Lynard, as the new Chief Financial Officer, and Leverne Marsh, as new Chief Commercial Officer, and made each time a positive recommendation to the Board of Directors, via written resolution adopted outside of a meeting.

During the meeting held on October 9, 2025, the Remuneration Committee discussed the annual grant of share-based compensation to staff members which resulted in a related recommendation that was submitted to the Board of Directors.

During the meeting on October 22, 2025, the Remuneration Committee discussed the adverse consequences of the double taxation for Fabrice Chouraqui, as Executive Director and CEO due to the international tax treaty between the US and the Netherlands. The Remuneration Committee recommended the Board to apply tax equalization, in accordance with the authority granted in the Remuneration Policy. Reference is made to the Remuneration Report 2025.

The Remuneration Committee also engaged an independent reward consultancy firm for a review of the Remuneration Report template to ensure continued alignment of the report with market practice and applicable rules and regulations. Based on this review, the Remuneration Committee decided on several changes, reducing the size of the report, in addition to those changes already included in the report on the year 2024.

Reference is made to the Remuneration Report 2025 as included in this Annual Report.

“ It's been hard because not a lot of people know about APDS and the emotional and mental effects of having it. There's not a whole lot of people who know how to deal with it or support it."

Patient living with APDS

Corporate Governance Committee

The Corporate Governance Committee was composed in 2025 of Jabine van der Meijs (Chairperson), Richard Peters, Barbara Yanni and, until June 11, 2025, Steven Baert. The composition of our Corporate Governance Committee is consistent with the best practice provisions of the DCGC, SEC and Nasdaq requirements.

The main tasks performed by the Corporate Governance Committee includes monitoring compliance by Pharming with the DCGC and corporate governance-related laws and regulations, compliance by Pharming with the Code of Conduct, monitoring and evaluating the functioning of the Board of the Directors, its committees and individual members and the recruitment and selection for nomination of new Directors. The committee also prepares recommendations to the Board of Directors regarding the intended appointment of new members of the Executive Committee. The Corporate Governance Committee is governed by a charter that complies with the best practice provisions of the DCGC and applicable Nasdaq rules. The charter was evaluated and the updated charter was approved on March 20, 2024.

The Corporate Governance Committee met four times in 2025 (2024: four times), The meetings on March 11, 2025, and November 5, 2025, were held in the USA. The other meetings were held virtually. The individual presence (P) or absence (A) of the members of the Corporate Governance Committee, based on their time in office, is reflected in the following schedule:

Date	January 21	March 11	May 13	November 5	% Present during 2025 (based on time in office)
Jabine van der Meijs	P	P	P	P	100%
Richard Peters	P	P	P	P	100%
Barbara Yanni	P	P	P	P	100%
Steven Baert	P	P	P	N/A	100%

Activities in 2025

The Corporate Governance Committee conducted a search for a new Executive Director and Chief Executive Officer, as successor to Sijmen de Vries, and to this end engaged a leading global executive search company. The committee coordinated the process and prepared the nomination to the Extraordinary General Meeting of Shareholders on March 4, 2025, for the appointment of Fabrice Chouraqui as the new Chief Executive Officer and Executive Director.

The Committee was also involved in the determination of the package agreed with Sijmen de Vries, in view of his resignation as CEO with effect from the EGM on March 4, 2025. More details can be found in the Remuneration Report as included in this Annual Report.

The committee furthermore discussed and prepared for the scheduled expiration of the mandates of Deborah Jorn, Jabine van der Meijs, Leonard Kruimer and Steven Baert at the Annual General Meeting of Shareholders on June 11, 2025.

The Corporate Governance Committee lead the search process that resulted in the nomination and appointment of Elaine Sullivan as the new Non-Executive Director at the AGM held on June 11, 2025. The Board of Directors adopted a resolution, upon the recommendation of the Corporate Governance Committee, to nominate Elaine Sullivan during an extra meeting held on April 27, 2025. The Board also decided upon changes in the composition of its committees to reflect the changed composition of the Board, as proposed by the Corporate Governance Committee.

The committee also prepared the nomination to the Annual General Meeting of Shareholders on June 11, 2025, for the reappointment of Jabine van der Meijs and Leonard Kruimer.

The Corporate Governance Committee was updated on the search for a new CFO and CCO, respectively, and made a positive recommendation to the Board of Directors on the appointment of Kenneth Lynard and Leverne Marsh, respectively, each time, via a resolution outside of a meeting.

The Corporate Governance Committee also initiated and coordinated the annual self-evaluation by the Board of Directors and the respective committees. The results were discussed during the meeting on November 5, 2025, and shared thereafter with the entire Board. Details can be found in the section on the summary of the activities of the Board of Directors.

The committee will coordinate and monitor the follow-up on the actions agreed following the self-evaluation. Throughout the year 2025, the Corporate Governance Committee also coordinated and monitored the follow up of the agreed actions of the 2024 Board Evaluation.

During a combined meeting with the Remuneration Committee, held on January 21, 2025, the Corporate Governance Committee reviewed the functioning of Sijmen de Vries, as the Executive Director in 2024, and the Executive Committee in 2024. The main conclusions and recommendations were submitted to the Board of Directors for the assessment of the impact on the vesting of applicable incentive plans. Reference is also made to the report of the Remuneration Committee.

During the meeting on January 21, 2025, the Corporate Governance Committee reviewed and discussed the report listing the described deviations from the Dutch Corporate Governance Code during the year 2024.

The Corporate Governance Committee also discussed the people plan as well as the simplified process for performance management as of 2025, as proposed by the CPO. During the meeting on November 5, 2025, the plans for updating the performance management processes were discussed. The Committee noted to be supportive of this effort and recommended keeping a strong patient focus culture and investing in rewards and recognition of performance to maintain strong workforce engagement.

The Corporate Governance Committee discussed during its meeting on March 11, 2025, the annual assessment of the independence of the Non-Executive Directors. It was concluded that all Non-Executive Directors were independent according to SEC and Nasdaq requirements and also based on the independence criteria in the Dutch Corporate Governance Code.

During its meeting of November 4, 2025, the Corporate Governance Committee also discussed the Competence & Knowledge Matrix of the Board of Directors and evaluated the size of the Board of Directors, resulting in positive findings.

During this meeting, the committee also reviewed and discussed the proposed changes to the Power of Attorney policy and the updated Anti-Corruption policy. The Committee recommended the Board to approve the proposed changes and the related recommendations were made to, and thereafter endorsed by, the Board of Directors.

The Corporate Governance Committee also reviewed and approved the proposal for the updated Code of Conduct. The revised Code of Conduct was approved on September 8, 2025.

During each scheduled meeting the Corporate Governance Committee was updated by the Business Integrity department on the Company's performance under the Code of Conduct.

“They [local HCPs] don't know anything to this day. We have to educate them because they're not fully aware of the extent of this disease.”

Family living with APDS

Transaction Committee

During the financial year 2025, the Transaction Committee consisted of Barbara Yanni (Chairperson), Richard Peters, Leonard Kruimer and Mark Pykett.

The main tasks of the Transaction Committee include the review and assessment of business cases, including the valuation and analysis of any potential business development 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, together with the Executive Committee, and to make recommendations to the Board of Directors on a potential business development transaction.

The Transaction Committee is also entrusted with the review of potential transaction structures, assessing inter alia the main risks for the Company and the mitigating actions, as proposed by the Executive Director, The Transaction Committee reviews and (if appropriate) approves a draft non-binding Letter of Intent or Memorandum of Understanding, or any similar draft document of a non-binding nature, to start a due diligence process for exploring a potential transaction, including approval of the issuance of that document to the relevant target company. The Transaction Committee also reviews and assesses the outcome of the due diligence process for any transaction, if pursued, to identify the opportunity and main risks for the Company.

The Transaction Committee is governed by a charter that complies with the best practice provisions of the DCGC and applicable Nasdaq rules. The charter was last updated on March 20, 2024, following an evaluation by the Transaction Committee of the charter previously approved in December 2022.

The Transaction Committee met two times in 2025 (2024: six times). All meetings were held virtually.

Date	May 27	September 19	% Present during 2025
Barbara Yanni	P	P	100%
Richard Peters	P	P	100%
Leonard Kruimer	P	P	100%
Mark Pykett	P	P	100%

Activities in 2025

The Transaction Committee reviewed certain business development opportunities presented by the Executive Director, together with the Executive Committee.

For reasons of confidentiality, taking into consideration Pharming's status of listed company, no further details are provided on any of the business opportunities that were considered.

Authorization of the financial statements

The financial statements of Pharming Group N.V. for 2025, as presented by the Board of Directors, have been audited by Deloitte Accountants B.V. Their report is included in this Annual Report in the section Independent auditor's Report.

The financial statements were unanimously approved by the Board of Directors and the members of the Board of Directors have signed these Statements on behalf of the Company.

Statement by the Board of Directors

In accordance with best practice 1.4.3 of the Dutch Corporate Governance Code and Article 5:25c of the Financial Markets Supervision Act, taking into due consideration the explanation provided in the preceding paragraph and in the various other sections of this Annual Report, the Board of Directors states that, to the best of their knowledge:

- This report provides sufficient insight into the nature of the Company's risk management and control systems and confirms that the control systems functioned properly in the year under review;
- The report also provides sufficient insights into any weaknesses or failings in the effectiveness of the internal risk management and control systems with regard to the risks as referred to in best practice provision 1.2.1 of the Corporate Governance Code. In the 2025 financial year, no major failings have been detected;
- The control systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- The risk management and control systems provide limited assurance that the 2025 sustainability reporting does not contain any material inaccuracies;
- The Board of Directors is not aware that these systems did not provide sufficient comfort that the principal operational and compliance risks identified in the Risk Management section are effectively managed in line with the Company's risk appetite. "Sufficient comfort" is to be read as: comfort considering our risk appetite, the complexity of our company, inherent limitations to these systems and other disclosures on these systems in our Management Board report;
- Based on the current state of the Company, it is considered appropriate that the financial reporting is prepared on a going concern basis; and
- The report identifies those material risks and uncertainties, as referred to in best practice provision 1.2.1 of the Corporate Governance Code, that are relevant to the expectation of the Company's continuity for the period of at least twelve months after the preparation of the report.

Due to the inherent limitations of risk management and control systems, the above does not imply that these systems and procedures provide certainty or absolute assurance as to the achievement of strategic, operational, compliance and reporting objectives, nor that they can prevent all misstatements, inaccuracies, fraud, operational issues or non-compliance with laws and regulations.

We have discussed the above opinion and conclusions with the Audit Committee, the Board of Directors and the external auditor.

Accordingly, the Board of Directors declares that, to the best of its knowledge and in accordance with applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit of the Group, and this Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

For a detailed description of the risk factors, we refer to the Risk management chapter in this report.

In accordance with the foregoing, the Board of Directors recommends the Annual General Meeting of shareholders to adopt the 2025 Financial statements and to discharge, and therefore to release from liability, the members of the Board of Directors for the exercise of their duties during the financial year 2025.

Leiden, April 1, 2026

Richard Peters
Mark Pykett
Fabrice Chouraqui
Barbara Yanni
Leonard Kruimer
Jabine van der Meijs
Elaine Sullivan

Collectively the Board of Directors of Pharming Group N.V.

Remuneration Report 2025

Letter from the Remuneration Committee Chair

Dear Shareholder,
On behalf of the Remuneration Committee, I am pleased to present to you the Remuneration Report of Pharming for the financial year 2025.

I am pleased to inform you that during the Annual General Meeting of Shareholders held on June 11, 2025, 98.88% of the votes cast represented a positive advice on the Remuneration Report that was presented on the financial year 2024.

In this Remuneration Report, the Remuneration Committee reports on how the remuneration policy for the Board of Directors (hereafter the 'Remuneration Policy') has been put into practice for our Executive Director/CEO and the Non-Executive Directors during 2025.

The Remuneration Committee, together with an external consultant, considered the feedback from proxy advisors and investors, on the 2024 Remuneration Report and, amongst other matters, further clarified the explanation regarding the performance by the CEO on the targets set for the applicable incentive programs as approved by our shareholders. For example, the quantitative targets in the 2025 STI scorecard represent more than 70% of the award, resulting in further increased transparency.

Looking back on 2025

Remuneration Committee activities and developments

Until June 11, 2025, the Remuneration Committee consisted of Steven Baert as Chair and Deborah Jorn, Mark Pykett and Jabine van der Meijs as members. Since June 11, 2025, following the changes in the composition of the Board of Directors as of that date due to the scheduled expiration of the mandates of Deborah Jorn and Steven Baert, the Remuneration Committee consisted of Jabine van der Meijs, Barbara Yanni and Richard Peters as members and myself as Chair.

The Remuneration Committee met five times in 2025 (including a combined meeting with the Corporate Governance Committee on January 21) to discuss the proposals and prepare recommendations to the Board of Directors regarding the compensation of the Executive Director/CEO, in accordance with the Remuneration Policy and incentive programs as adopted and approved by our shareholders, and the compensation of the members of the Executive Committee. Details on the activities of the Remuneration Committee can be found in the Annual Report.

Remuneration Executive Director in 2025

Base salary

Sijmen de Vries served as Executive Director/CEO up to and including the Extraordinary General Meeting of Shareholders held on March 4, 2025 (hereafter the “EGM”). As announced during the EGM, Sijmen de Vries remained a strategic advisor to the new CEO following the EGM until December 31, 2025. In the latter capacity, Sijmen de Vries continued to receive the monthly base salary up to and including December 31, 2025. His annual base salary for 2025 was €642,701 or US$723,617 (2024: €642,720 or US$694,000). More details on the settlement of Sijmen de Vries's outstanding contractual rights can be found in Part II of this Remuneration Report. These details were also included in the materials that were published for the EGM, such as the Explanatory Notes to the agenda that can be found on our website.

During the EGM, our shareholders were informed that the annual base salary for Fabrice Chouraqui, as new Executive Director/CEO, had been set at US$750,000 for the full year 2025. The Board of Directors explained at the EGM, to be of the opinion that the base salary and the other components of Fabrice Chouraqui's remuneration package, were deemed appropriate in view of Fabrice Chouraqui's strong track record as a global pharmaceutical and biotechnical leader, and the wealth of global expertise and deep international experience, across the entire biopharmaceutical value chain, that he would bring to Pharming. In addition, in accordance with the Remuneration Policy, the annual base salary for 2025 was set with reference to the assigned tasks and responsibilities and U.S. benchmark data provided by AON Radford, taking into consideration that Fabrice Chouraqui is residing in the United States of America. Fabrice Chouraqui started as observer on February 1, 2025, and therefore, he received a pro-rata amount of US$687,500 for the period February 1, 2025, up to and including December 31, 2025.

More details on the remuneration package granted to Fabrice Chouraqui, as Executive Director and CEO, as approved (to the extent applicable) by our shareholders at the EGM, are provided in Part I of this Remuneration Report. The buy-out award arrangement agreed with Fabrice Chouraqui by way of compensation for the forfeited bonus and equity awards from his previous employer can be found in Part II of this report.

Incentive plans performance

2025 performance and STI outcome (annual bonus in cash)

Pharming delivered a very strong final performance in 2025, with RUCONEST® continuing to grow in an increasingly competitive environment, while Joenja® uptake accelerated with rising U.S. patient demand and international expansion. Solid progress was also made on several other targets that had been set for the year.

The company ended 2025 on a strong note, exceeding the upwardly revised revenue guidance range of US$365-$375 million provided in November 2025 for the full year 2025 and representing approximately 27% growth compared to 2024.

Taking into consideration the strong performance in 2025, the Remuneration Committee calculated a total payout percentage of 147.4% on all one-year financial and non-financial targets that had been set for the STI 2025. A detailed balanced scorecard on the financial and non-financial targets, including the calculation of the respective payout results for each quantifiable target based on the applicable schedule, can be found in Part II of this Remuneration Report.

STI payout to Sijmen de Vries, as Executive Director/CEO until March 4, 2025

As announced during the EGM, Sijmen de Vries remained entitled to receive the gross amount in settlement of the Short-Term Incentive Plan for the year 2025 pro-rata for the period January 1, 2025 up to and including the date of the EGM. Accordingly, the total weighted payout result of 147.4% on all KPIs was multiplied by the 70% 'on-target' score to calculate the total payout amount on the STI 2025. The Remuneration Committee concluded that this resulted in a pro-rata cash payment to Sijmen de Vries, as Executive Director/CEO until March 4, 2025, equal to 103.2% of his fixed annual salary, i.e., (pro-rated up to and including the date of the EGM) €118 thousand (US$132 thousand) gross.

STI payout to Fabrice Chouraqui, as Executive Director/CEO since March 4, 2025

As approved by our shareholders during the EGM, the on-target score for the STI was set for Fabrice Chouraqui at 75% of his annual base salary and the maximum payout at 150% of the annual base salary. Accordingly, the total weighted payout result of 147.4% on all KPIs for the 2025 STI was multiplied by the 75% 'on-target' score to calculate the total payout amount on the STI 2025. The Remuneration Committee concluded that this resulted in a pro-rata cash payment to Fabrice Chouraqui (who joined as observer on February 1, 2025 and was appointed as new Executive Director/CEO on March 4, 2025) equal to 110.6% of his fixed annual salary for 2025, i.e., US$760 thousand gross.

2023-2025 Executive LTI performance

As announced during the EGM, Sijmen de Vries remained entitled to the vesting of the restricted shares granted to him pursuant to the LTI for the performance period 2023-2025, pro-rata up to and including June 11, 2025, (i.e., the originally scheduled date of the expiration of the mandate of Sijmen de Vries as Executive Director). Fabrice Chouraqui has no right to receive shares as awarded under the LTI for the performance period 2023-2025.

1,369,827 conditional (restricted) shares were awarded to Sijmen de Vries, as former CEO, for the performance years 2023 up to and including 2025. Vesting of the shares was subject to the performance of the CEO on the applicable long-term targets, which was a combination of Total Shareholder Return (40% weighting) and strategic corporate objectives (60% weighting), during the performance period.

The scores for the 2023-2025 performance period are summarized in the below table:

Component	Max. weight	Actual weight based on performance
TSR	40%	16%
Strategic Objectives	60%	65%
Weighted outcome	**100%**	**81%**

A detailed balanced scorecard can be found in Part II of this Remuneration Report.

The total vesting level of 81% resulted in a total number of 1,109,560 unconditional shares (gross) that vested for Sijmen de Vries, as the former Executive Director/CEO, *pro-rata* up to and including June 11, 2025.

I look forward to presenting this Remuneration Report at the Annual General Meeting of Shareholders on May 28, 2026. On behalf of the Remuneration Committee and the Non-Executive Directors, I would like to thank you for your continued support of Pharming.

Elaine Sullivan
Chair of the Remuneration Committee

Shareholder voting at General Meeting of Shareholders

The following table sets out the voting results in respect of resolutions relating to remuneration over the past years.

Resolution		% Votes in Favor
2024 Remuneration Report (voted on June 11, 2025)	Advisory	98.88%
Approval remuneration package new CEO, to the extent applicable (voted on March 4, 2025)	Binding	98.11%
2024 Remuneration Policy (voted on May 21, 2024)	Binding	94.20%

“I don't know my life without pain. For me, it was normal to have pain. I guess that's why I don't talk about the pain aspect of it, because it's normal to me... I don't know my life without it... when I'm going to swell, my nerves are very sensitive, I have to wear skirts, I can't shower, can’t have anything touch me. And I have bone pain... it feels like something is scraping my bones and I still have that [even with medication]. I have a handicapped tag and people stare at me, but my pain is sometimes a 15 on a 10 scale.”

Patient living with HAE

Part I: Brief Summary of the Executive Director remuneration elements

The remuneration package of the Executive Director is simple and transparent in design, based on the Remuneration Policy as approved by our Shareholders and consists of the following key elements:

Remuneration element	Purpose	Design and link to strategy	Value
Base salary	• Involves fixed cash compensation. • To provide a fair and competitive basis for the total pay level to attract high caliber leaders. • In-depth benchmark annually.	• Facilitates recruitment and retention, and is the basis for competitive pay. • Rewards performance of day-to-day activities.	• Base salaries at Pharming target the median of the labor market peer group with possible exceptions based on experience. • The actual salary is to be determined based on the country of residence. • Any remuneration increases are in line with the wider workforce and typically effective from the 1st of January each year.
Pension	• Defined-Contribution Pension Plan for Executive Directors based in the Netherlands. • Alternative pension benefits for Executive Directors based in other countries, with a value aligned with similar benefits offered to Pharming's staff members in the jurisdiction where the relevant Executive Board Member is residing (e.g., 401k in the U.S.).	• Provides for employee welfare and retirement needs. • Designed to be competitive in the relevant market. • The CEO and Executive Committee receive a pension plan that is the same as all eligible Pharming employees. No additional executive pension benefits are awarded.	• NL: pension contributions for the CEO if residing in the Netherlands, in accordance with the plan that also applies to the other employees based in the Netherlands. • Other countries: value aligned with similar benefits offered to Pharming's staff members in the jurisdiction where the relevant Executive Board Member is residing.
Benefits	• Provides a range of benefits, including, but not limited to a car lease scheme, aligned with plans and programs offered to staff members in place of residence.	• Provides market competitive benefits to aid retention. • The CEO and Executive Committee receive the same benefits as eligible Pharming employees. No additional executive benefits are granted.	• NL: holiday allowance: 8.33% of the base salary. • Other countries: value aligned with similar benefits offered to senior staff members in place of residence.
Short-term variable remuneration	• Based on achieving annual measured, financial and non-financials goals. • Aims, at target level, for the median of the labor market peer group. • Is paid 100% in cash.	• Drives and rewards sound business decisions for the short-term prospects of Pharming. • Aligns Executive Directors and shareholder interests. • At least 50% of the bonus opportunity is linked to financial performance. • Strategic goals and sustainability goals are set. • The committee undertakes a thorough assessment to ensure that targets are rigorous and sufficiently stretched.	• On-target performance: 70% for the CEO / 50% of annual base salary for other Executive Board Members. For Fabrice Chouraqui (as approved at the EGM): 75% on-target performance. • Maximum opportunity for CEO capped at 140% of base salary. For Fabrice Chouraqui (as approved at the EGM): 150% of base salary. • Threshold: 80% for each quantifiable target separately. • From the STI for 2024 onwards, a maximum of 200% applies for payout on each individual target. • Below threshold: no STI payout on targets below threshold level. • STI payout is made in cash. • The Remuneration Committee may apply judgement with discretion to make appropriate adjustments to the annual bonus.

Remuneration element	Purpose	Design and link to strategy	Value
Long-term variable remuneration (Executive LTI program)	• Is based on achieving three-year TSR (40% weighting) and strategic targets (60% weighting). • Aims, at target level, for the median of the peer group. • Is awarded through the vesting of shares, net of taxes. • Vested shares are blocked for another two years, with a five-year holding restriction since the date of the conditional performance grant.	• Drives and rewards sound business decisions for the long-term prospects of Pharming. • Aligns Executive Director's and shareholder interests. • Supports Executive Board retention.	• On-target performance: 300% of annual base salary for the CEO. For Fabrice Chouraqui (as approved at the EGM): 425% on-target performance. • Maximum opportunity for CEO capped at 450% of base salary. For Fabrice Chouraqui (as approved at the EGM): 637.5% • Threshold (as from the LTI for 2023-2025 onwards): 80% for each quantifiable target separately. • From the LTI for 2024-2026 onwards, a maximum of 200% applies for each individual target. • Below threshold: no vesting on targets below threshold level. • LTI payout is made in shares.
Mandatory share ownership and holding requirement	• To further align the interests of executives to shareholders.		• The minimum shareholding requirement is 400% of annual base compensation for the CEO. The CEO may decide to accrue the required minimum shareholding over time by the vesting of after-tax performance shares from the Executive LTI program, without the requirement for own purchases.
Severance pay	• Ensure upfront clarity on pay in case of early departure.	• Payments related to the early termination of a contract reflect performance achieved over time and shall not reward failure.	• Maximum severance pay is 100% of the fixed annual remuneration. Not awarded in case of early termination at the CEO's initiative unless due to culpable conduct or neglect by the Company and/or due to the CEO's culpable conduct or gross negligence. As approved at the EGM, Fabrice Chouraqui will be entitled as CEO to a severance pay: a. equal to 200% of his fixed annual base salary, in case of a termination of his mandate as CEO without cause within twelve (12) months following a change of control of Pharming; and b. absent a change of control as described sub a., equal to 100% of his fixed annual base salary in case of any other termination of the mandate and contract by Pharming without cause, or by the CEO for good reason (i.e., serious culpable conduct or neglect on the part of Pharming).

As announced to our shareholders in preparation for the EGM, Fabrice Chouraqui, as a U.S. resident, has entered into a contract with Pharming Healthcare Inc., the 100%-owned U.S. subsidiary of Pharming for an indefinite term.

Peer group

European peers	US peers
ADC Therapeutics CH	Akebia Therapeutics (NEW)
Autolus Therapeutics London	Anika Therapeutics
Basilea Pharmaceutica Basel	Ardelyx (NEW)
Bavarian Nordic Hellerup DK	BioCryst Pharmaceuticals
BioGaia Stockholm	Coherus BioSciences
Biotest Dreieich	Collegium Pharmaceutica
Cosmo Pharmaceuticals Dublin	Esperion Therapeutics (NEW)
Formycon Planegg DE (NEW)	Harmony Biosciences (NEW)
Galapagos BE	Heron Therapeutics
Idorsia CH (NEW)	Ligand Pharmaceuticals
Immunocore UK (NEW)	MannKind
Kiniksa Pharmaceuticals UK (NEW)	Mirum Pharmaceuticals
Merus Utrecht	Rigel Pharmaceuticals
Oxford Biomedica Oxford	Supernus Pharmaceuticals
Santhera Pharmaceuticals CH (NEW)	Travere Therapeutics
uniQure Amsterdam	Vanda Pharmaceuticals
Valneva Saint-Herblain	Xeris Biopharma (NEW)

The Remuneration Committee initiated a review of the peer group in 2025 to ensure the continued best fit of the included companies in terms of financial, market and business profile, sector, and business/product focus while taking into consideration Pharming's positioning among the peer group and in respective markets. This review resulted in the following changes:

- MorphoSys (EU), Immunogen (US), and Intercept Pharmaceuticals(US) were acquired by Novartis, AbbVie and Alfasigma, respectively, and were, therefore, removed from the peer group.

- In addition, the following companies were removed:

  US peers:
  - Enanta Pharmaceuticals
  - Ironwood Pharmaceuticals
  - Karyopharm Therapeutics

  European peers:
  - Alliance Pharma
  - Camurus
  - Innate Pharm
  - Zealand Pharma

- Several new companies were added. These companies have been highlighted as "NEW" in the above overview.

Part II: Executive Director remuneration paid in 2025

Settlement contractual rights Sijmen de Vries, as former Executive Director/CEO until March 4, 2025

Sijmen de Vries, as former Executive Director/CEO, resigned from the Board of Directors effective at the closing of the EGM on March 4, 2025. As announced to our shareholders in preparation for the EGM, it was agreed that Sijmen de Vries remained a strategic advisor to the new CEO until December 31, 2025. In that capacity, Sijmen de Vries continued to receive his monthly base salary, based on his 2024 base salary, up to and including December 31, 2025.

In recognition of Sijmen de Vries's dedicated commitment to Pharming over the past 16 years and his willingness to remain available as a strategic advisor to the new CEO to ensure a smooth transition in the best interest of Pharming, the Board of Directors granted Sijmen de Vries the status of Good Leaver as defined in his contract. Accordingly, as announced to our shareholders in preparation for the EGM in the Explanatory Notes to the agenda that can be found on our website, the Board of Directors decided that:

- Sijmen de Vries will receive the gross amount in settlement of the Short-Term Incentive Plan for the year 2025 pro-rata for the period January 1, 2025, up to and including the date of the EGM, in accordance with the regular schedule (no accelerated payout) and subject to the score on the performance targets; and
- the restricted shares granted to Sijmen de Vries pursuant to the Long-Term Incentive Plan for the performance periods 2023-2025 and 2024-2026, will vest in the first quarter of the year 2026 and the first quarter of the year 2027, respectively. These vesting dates are in accordance with the regular vesting schedule (no accelerated vesting). Vesting will be subject to the score on the performance targets and the vesting percentage will be calculated pro-rata up to and including June 11, 2025, (i.e., the originally scheduled date of the expiration of the mandate of Sijmen de Vries.

Sijmen de Vries waived his right to the grant of new restricted shares pursuant to the Long-Term Incentive Plan for the performance period 2025-2027 and has not received a severance payment. The described settlement of Sijmen de Vries's outstanding contractual rights ensured that the tax liabilities for Pharming are kept to a minimum. It has been assessed that no excessive tax levy (under article 32bb of the Dutch Wage Tax Act 1964) applies to Pharming in relation to the settlement agreed with Sijmen de Vries for the full year 2025. For 2026, a separate assessment will be performed to evaluate any LTI payouts made during that year.

Details on the total payout to Sijmen de Vries in 2025, consistent with the information on the settlement of Sijmende Vries' contractual rights as shared with our shareholders in preparation for the EGM held on March 4, 2025, are included in the respective sub-sections of Part II of this Remuneration Report.

One-off compensation Fabrice Chouraqui, as new Executive Director

As shared with our shareholders on our website on February 26, 2025, in preparation for the EGM, Fabrice Chouraqui, as new Executive Director/CEO, received one-off compensation, by way of a buy-out award arrangement, in the first quarter of 2025 for the cash bonus and equity awards that he forfeited due to his resignation from his previous role at Cellarity, Inc., to become the new CEO of Pharming, i.e., (like-for-like) cash compensation equal to the forfeited value of Fabrice Chouraqui's entitlement to a short-term incentive plan in cash and compensation in the form of shares for the loss of value of equity awards.

Based on the statement received from Cellarity, Inc., as verified by Pharming, the total forfeited value was US$990,000, of which US$110,000 represents the forfeited cash bonus and US$880,000 the forfeited equity awards, i.e., share option rights with a four-year anticipated vesting period. This total forfeited value is substantially lower than the maximum value of US$3,200,000 as was mentioned in the Explanatory Notes for the EGM.

The Board of Directors decided to grant Fabrice Chouraqui the following one-off, like-for-like compensation, by way of buy-out award and in full and final settlement of his right to compensation:

(i) US$110 thousand paid in cash for the 2024 annual incentive forfeiture; and
(ii) US$880 thousand awarded in Restricted Share Units, which are subject to vesting in four (4) equal annual tranches of 25% each.

These details were all already shared with our shareholders, both on our website on February 26, 2025, in preparation for the EGM, and also during the EGM. The first tranche of the one-off RSU award, as part of the buy-out award, vested on February 1, 2026, and resulted in the transfer to Fabrice Chouraqui of 161,425 unconditional shares (post-tax).

Annual remuneration package paid in 2025

The tables below show the total remuneration paid to Sijmen de Vries and Fabrice Chouraqui, respectively, expressed in a single figure and, for Sijmen de Vries compared to 2024. All amounts were paid to Sijmen de Vries in euros and to Fabrice Chouraqui in US$. All amounts have been rounded. The US$ figures for Sijmen de Vries have been included to ensure consistency with the other chapters of the 2025 Annual Report, applying an FX rate of 1.1259 (average 2025) for the amounts paid in 2025. The amounts paid in 2024 have been calculated using an FX rate of 1.0804 (average 2024).

Sijmen de Vries served as Executive Board Member and CEO until March 4, 2025. Thereafter, he continued to provide services to the Company in a consulting capacity from March 4, 2025 to December 31, 2025. Fabrice Chouraqui commenced employment on February 1, 2025, and served as Executive Board Member and CEO from March 4, 2025 through December 31, 2025. The compensation disclosed below reflects their remuneration for the full 2025 financial year, up to and including December 31, 2025:

in EUR '000 (US$ '000)	Year	Base Salary		STI		LTI Value of units vesting		Pension cost		Other emoluments		Total	
Sijmen de Vries, CEO until March 4, 2025	2025	€643	US$724	€118	US$132	€1,582	US$1,781	€156	US$176	€32	US$36	€2,531	US$2,850
	2024	€643	US$694	€383	US$414	€1,801	US$1,946	€107	US$116	€32	US$35	€2,966	US$3,205

in EUR '000 (US$ '000)	Year	Base Salary		STI		LTI Value of units vesting		Pension cost		Other emoluments		Total	
Fabrice Chouraqui, CEO from March 4 2025	2025	€611	US$688	€675	US$760	€0	US$0	€7	US$8	€345	US$388	€1,638	US$1,844

Other items included in Other emoluments for Fabrice Chouraqui relate to the US$110 thousand payment for the 2024 annual incentive forfeiture, as part of the buy-out award arrangement as outlined above, as well as other customary allowances.

Proportion of fixed and variable remuneration, including fair value costs for Pharming

The following tables reflect the amounts of fixed and variable remuneration paid to Sijmen de Vries and Fabrice Chouraqui, respectively, as the CEO/Executive Director in 2025 and, for Sijmen de Vries, in the past years, together with the fair value share-based payment costs incurred by Pharming and consistent with the information shared with our shareholders in preparation for the EGM held on March 4, 2025.

The amount of share-based compensation as reflected in the table includes the (pro-rata) fair value of the granted but unvested restricted shares that were granted in 2022, 2023, 2024 and 2025 to the CEO pursuant to the Executive LTI Program. In accordance with the Remuneration Policy, The Board of Directors decided to apply tax equalization on Fabrice Chouraqui's gross salary to mitigate the adverse consequences of double taxation in the Netherlands and the U.S., which resulted in a payment of US$187 thousand in 2025, included in the column Other emoluments in the table above.

in EUR '000 (US$ '000)	Year	Base Salary		STI		Share based compensation		er emolum,ents		Other emoluments		Total	
Sijmen de Vries, CEO	2025	€643	US$724	€118	US$132	€762	US$858	€156	US$176	€32	US$36	€1,711	US$1,926
	2024	€643	US$694	€383	US$414	€914	US$987	€107	US$116	€32	US$35	€2,079	US$2,246
	2023	€624	US$673	€570	US$615	€1,271	US$1,371	€107	US$115	€32	US$35	€2,604	US$2,809
	2022	€603	US$636	€374	US$394	€1,158	US$1,221	€ 106	US$112	€ 32	US$34	€2,273	US$2,396
	2021	€574	US$681	€301	US$357	€1,344	US$1,594	€ 101	US$120	€ 32	US$38	€2,352	US$2,790

in EUR '000 (US$ '000)	Year	Base Salary	STI	Share based compensation	Pension cost	Other emoluments	Total
Fabrice Chouraqui, CEO	2025	US$688	US$760	US$1,335	US$8	US$388	US$3,179

“My anxiety comes from worrying that I won't be able to get to medical help in time.”

Patient living with HAE

Fixed remuneration

Base salary

The following tables reflect the pro-rata gross annual base salary (fixed remuneration) of Sijmen de Vries and Fabrice Chouraqui, respectively, paid in the financial year 2025:

	Fixed Remuneration in '000 in 2025	Fixed Remuneration in '000 in 2024
Sijmen de Vries	€643 (US$724)	€643 (US$694)
Fabrice Chouraqui	US$688	N/A

All amounts were paid to Sijmen de Vries in euros and to Fabrice Chouraqui in US$. The amounts have been rounded. The US$ figures have been included to ensure consistency with the other sections of this 2025 Annual Report, applying an FX rate of 1.1259 (average 2025) for the amounts paid in 2025. The amounts paid to Sijmen de Vries in 2024 have been calculated using an FX rate of 1.0804 (average 2024).

Benefits

The Executive Director/CEO is entitled to additional benefits, as further described in Part I of this Remuneration Report. These benefits are fully consistent with those offered to other eligible Pharming employees.

In the Netherlands, salaries are paid in 12 monthly installments and one additional monthly installment, entitled 'holiday allowance' which is paid typically in May/June. The allowance is equal to 8.33% of the base salary and included in the gross annual salary of staff and those Executive Board Members residing in the Netherlands.

Pension

The Executive Director/CEO pension arrangements for Executive Board Members are further described in Part I of this Remuneration Report.

Variable remuneration

The Remuneration Committee reviewed the performance of Sijmen de Vries as the Executive Director/CEO up to March 4, 2025, and of Fabrice Chouraqui as the new Executive Director/CEO since that date. During 2025, remuneration was paid in accordance with the Remuneration Policy and, for Fabrice Chouraqui, the approvals by our shareholders during the EGM, as further described in Part I.

A. Short-term variable remuneration (STI): cash

As announced in the 2024 Remuneration Report, the results on each of the KPIs for the 2025 STI are to be calculated in accordance with the following table:

Actual score compared to target	Payout %
<80%	—%
On target	100%
Each 1% exceeding target	+3%
Each 1% below target	(3%)

Accordingly, the results on the targets for the 2025 STI are summarized in the table below:

Weight	Strategic target	KPI	Target	Outcome	Weighting	Achievement	Actual weighting (updated)
20%	Develop a high performing organization	Staff voluntary turnover rate	10-12%	5.7%	10.0%	200.0%	21.5%
		Employee engagement score 2025 3rd quartile	50-75% (Glint)	Deferred	10.0%	0.0%	0.0%
50%	Implementation financial strategy to ensure sustainable long-term value creation	Net revenues of USD 317M	US$317,000,000	US$376,134,000	20.0%	157.0%	33.7%
		Operating result (USD 13M loss)	-US$13,000,000	US$25,842,000	20.0%	200.0%	42.9%
		Cash (USD 104M)	US$104,000,000	US$179,101,000	10.0%	200.0%	21.5%
6%	Flawless execution of pipeline development strategy	Joenja® patients on paid therapy (160 by YE 2025)	160	165	6.0%	109.0%	7.0%
24%		On track for EMA MAA approval in 2026	Submission in January 2026	Completed	6.0%	100.0%	6.4%
		FDA submission of efficacy supplement	Submit in 2025	Submission completed July 2025, accepted for Priority Review	2.0%	100.0%	2.1%
		Complete enrollment for LE-3302	Complete in 2025	Enrolment completed in Q2 2025	2.0%	100.0%	2.1%
		JP submission	Submit in 2025	Submission completed in June 2025	2.0%	100.0%	2.1%
		PIDs trial enrollment	12 patients enrolled in 2025	10 patients enrolled in 2025	3.0%	50.0%	1.6%
		CVID trial enrolment	20 patients enrolled in 2025	15 patients enrolled in 2025	3.0%	0.0%	0.0%
		KL1333 Wave 2	Open for enrollment by Q3 2025	First patient enrolled April 2025	3.0%	100.0%	3.2%
		KL1333 OLE	Submission to FDA of open label extension study by YE 2025	Submitted to FDA in Q4 2025	3.0%	100.0%	3.2%
Total					**100.0%**		**147.4%**

The Board of Directors decided to not conduct the employee engagement survey in the fourth quarter, given the organizational restructuring that was implemented in October and not foreseen in the scorecard for 2025. The Board of Directors, upon the recommendation of the Remuneration Committee, decided to remove the KPI from the 2025 STI and to reallocate the weighting proportionally to the other KPIs (the 90% weighting assigned to all other KPI's considered to equal 100%).

The Remuneration Committee concluded that the total weighted payout result of 147% on all KPIs results in the following cash payments to Sijmen de Vries and Fabrice Chouraqui, respectively:

- **STI payout to Sijmen de Vries, as Executive Director/CEO until March 4, 2025**
  The total weighted payout result of 147.4% on all KPIs was multiplied by the 70% 'on target'-score to calculate the total payout amount on the STI 2025 and this resulted in a pro-rata cash payment to Sijmen de Vries, as Executive Director/CEO until March 4, 2025, equal to 103.2% of the fixed annual salary, i.e., €118 thousand (US$132 thousand) gross (pro-rata until March 4, 2025).
- **STI payout to Fabrice Chouraqui, as new Executive Director/CEO since March 4, 2025**
  The total weighted payout result of 147.4% on all KPIs for the 2025 STI was multiplied by the 75% 'on-target' score to calculate the total payout amount on the STI 2025 and this resulted in a pro-rata cash payment to Fabrice Chouraqui (who joined as observer on February 1, 2025 and was appointed as new Executive Director/CEO on March 4, 2025) equal to 110.6% of his fixed annual salary for 2025, i.e., US$760 gross (pro-rata).

Payout of STI variable remuneration takes place only after verification by the external auditor of the Company's financial statements, including the financial KPIs on which the financial STI targets are based.

B. Long-term variable remuneration (LTI): shares

As announced during the EGM, Sijmen de Vries remained entitled to the vesting of the restricted shares granted to him pursuant to the LTI for the performance periods 2023-2025 and 2024-2026, respectively, pro-rata up to and including June 11, 2025, (i.e., the originally scheduled date of the expiration of the mandate of Sijmen de Vries as Executive Director).

The following table summarizes the tranches of shares for performance periods of three years each that were awarded to Sijmen de Vries in 2023 and 2024, respectively:

Name	Number of restricted LTI shares granted in 2023 (vesting Q1 2026)	Number of restricted LTI shares granted in 2024 (vesting Q1 2027)
Sijmen de Vries	1,681,570	1,824,602

Sijmen de Vries waived his right to the grant of new restricted shares pursuant to the Long-Term Incentive Plan for the performance period 2025-2027.

The following table summarizes the restricted shares for the performance period 2025-2027 that were awarded to Fabrice Chouraqui in 2025 but have not yet vested:

Name	Number of restricted LTI shares granted in 2025 (vesting Q1 2028)
Fabrice Chouraqui	3,614,572

Vesting Executive LTI 2023-2025

The vesting results for the Executive Plan for the performance years 2023-2025 are explained below.
In accordance with the applicable terms and conditions, the vesting of the shares is determined based on the performance of the CEO on the applicable long-term targets, which were a combination of Total Shareholder Return (40% weighting) and the performance on the strategic corporate objectives (60% weighting) during the respective calendar years 2023-2025.

Total Shareholder Return metrics and targets (40% of LTI award)

Set out below is a summary of Pharming's TSR performance relative to its peers as part of the TSR element of the Executive LTI program, based on the table included in the remuneration policy.

Metric	Targets								Actual			
TSR relative to ASCX and IBB ETF index	Below index	Equal to index	10% above index	20% above index	40% above index	60% above index	80% above index	100% above index	Position Relative to ASCX index	+15%	Position relative to IBB ETF index	+22%
Vesting	**0**	**80%**	**90%**	**100%**	**110%**	**120%**	**130%**	**150%**	**Pay-out**	**90%**	**Vesting**	**100%**

The share-price performance of Pharming shares over the performance period 2023-2025 was measured by comparing the VWAP as per January 1, 2023, versus the VWAP as per January 1, 2026, in accordance with the provisions of the Remuneration Policy.

At the start of the 2023–2025 performance period, Pharming was listed in the ASCX index. During the performance period, Pharming transitioned back to the AMX. Therefore, TSR performance was calculated and weighted on a pro-rata basis, reflecting the time Pharming was included in each index. The ASCX index increased 34.8% compared to the increase of the Pharming share by 9.7%. This results in a score of -25.1% below the index (Jan 2023 – Sep 2025).

The AMX index decreased by 1.1% whereas the Pharming share increased by 15.8%, resulting in a score of +16.9% above the index (Sep 2025 – Dec 2025). The weighted average of the TSR compared to the ASCX and AMX indices is -21.3% for the full period. Compared to the vesting schedule included in the Remuneration Policy, this results in a 0% achievement.

The IBB ETF index increased by 27.4% over the performance period whereas the Pharming share increased by 27.0%. Compared to the vesting schedule included in the Remuneration Policy, this results in a 80% achievement and a 16% impact on the total vesting percentage.

“ We [are] so grateful for genetic testing! That's the key that unlocks the mystery."

Caregiver to a patient living with APDS

Strategic objectives outcomes (60% of award)

A summary of the CEO's performance on the strategic objectives for the years 2023-2025 is set out below:

Target	KPI	Outcome	Weighting	Achievement	Actual weighting
1. RUCONEST®: serving the needs of HAE patients, continuing to drive sales	On target: 5% growth over 3-year period (1,64% CAGR) Above target: >5% growth	Above target achieved: RUCONEST® revenue increase from US$227m in FY2023 to US$318m in FY2025. CAGR (FY2023 - 2025): 18.3% (i.e.16.7% above the target)	10%	150%	15%
2. Joenja® (leniolisib) – geographic expansion	On target: at least 16 countries by YE 2025 Above target: >16 countries by YE 2025	Above target achieved: Joenja® distributed in 23 markets (including US and Canada), 44% above the target.	10%	200% (capped)	20%
3. Joenja® (leniolisib) – lifecycle management (new indications)	On target: completed clinical development of at least 1 new indication leniolisib by YE 2025, dependent on successful Phase II study. Above target: completed clinical development of at least 2 new indications leniolisib by YE 2025 dependent on successful Phase II study.	Not completed clinical development for new indications by YE2025	10%	0%	0%
4. Portfolio development: launch pipeline 2025 – 2028	On target: at least 3 new clinical programs and/or Business Development opportunities added to pipeline before YE 2025. Above target: >3 new clinical programs and/or Business Development opportunities	Target achieved: 3 new clinical programs added vs 2023 baseline: •Leniolisib – genetic PIDs (LPID) •Leniolisib – CVID •Napazimone (KL1333)	15%	100%	15%
5. ESG goals: implementation milestones according to action plan; first (mandatory) ESG reporting included in Annual Report 2025.	Progress versus baseline on ESG KPIs as disclosed in Annual Report on year 2023 ESG report included in the Sustainability section of the Annual Report 2025 (subject to changes in regulatory timelines)	Target achieved: •ESG progress disclosed in AR 2023 & 2024 •ESG report included in AR 2025 •Following regulatory developments (Omnibus), Pharming is no longer in scope of mandatory CSRD reporting.	15%	100%	15%
		TOTAL	**60%**	**-**	**65%**

The vesting results on the targets for the Executive LTI 2023-2025 are summarized in the table below:

Overall vesting of the Executive LTI program 2023-2025

Metric	Weighting	Vesting level
TSR	40%	16%
Strategic Objectives	60%	65%
Total vesting percentage:		**81%**

The total vesting level of 81% resulted in a total number of 1,109,560 unconditional shares (gross) that vested for Sijmen de Vries, as the former Executive Director/CEO, i.e., *pro-rata* up to and including June 11, 2025.

Payout of variable remuneration takes place only after verification by the external auditor of the financial statements, including the financial KPIs on which the financial targets were based.

Potential dilutive impact of share-based compensation plans

The total potential dilutive impact of all awards granted under share-based compensation plans (including awards to other participants) was 6.8% as of December 31, 2025 (as of December 31, 2024: 9.2%). This constitutes a significant decrease year-on-year and reflects Pharming commitment to continue to monitor the impact closely.

Pay ratio

The Remuneration Committee considered the pay ratios within the Company and compared the payout of remuneration in 2025 to the Executive Director in an internal reference group, in accordance with the requirements set by the Dutch Corporate Governance Code. Pharming applies a methodology to calculate the internal pay ratio that is IFRS-driven.

For 2025, the pay ratio between the compensation of Fabrice Chouraqui, as the CEO since March 4, 2025, and the mean compensation of employees (excluding the CEO) was 10.6:1 (2024: 8.9:1; 2023: 12.0:1; 2022: 12.0:1; 2021: 13.7:1). Compensation in each case comprises all salary, bonus, share-based compensation in cash or in kind and pension contributions. The increase in the pay ratio is primarily driven by higher CEO compensation following the appointment of a new CEO. His full remuneration package is further detailed above in Part II of this remuneration report.

The aforementioned pay ratio is deemed consistent with levels which are appropriate for Pharming, given its size and complexity.

Details of the staff costs can be found in note 8. Expenses by nature of the consolidated financial statements.

The following table sets out the remuneration and company performance over the period 2021-2025 for Sijmen de Vries as the CEO up to and including March 4, 2025, (in EUR) and for Fabrice Chouraqui since March 4, 2025. The table also visualizes the average employee salaries over the same period in Euro and USD:

Annual % change	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020
Director's remuneration					
CEO and Executive Director (EUR comparison)	37%	(20%)	15%	(3%)	(8%)
CEO and Executive Director (USD comparison)	43%	(20%)	17%	(14%)	(5%)
Company performance - increase/(decrease) (USD comparison)					
Revenues	27%	21%	19%	3%	(6%)
Gross Profit	26%	19%	17%	6%	(6%)
Operating Result	400%	(60%)	(130%)	34%	(82%)
Net Result	(121%)	12%	(177%)	(15%)	(58%)
Employees (full-time equivalent)	1%	6%	15%	16%	24%
Average remuneration of employees on a full-time basis					
Employees of the Group	21%	6%	18%	(3%)	(5%)

The annual % changes in the above USD information, reflect, amongst others, the change in FX rates. In addition, the change of the CEO's remuneration also reflects the changes in the costs of share-based compensation.

Statement of compliance

Derogation

There were no deviations from the Remuneration Policy, other than those approved for Fabrice Chouraqui by our shareholders during the EGM, as further described in Part I, nor were there deviations from the governance process in the execution of the policy.

Malus and clawbacks

In line with Dutch Law, the Dutch Corporate Governance Code and SEC requirements, malus and clawback provisions apply to the STIs and LTIs awarded to executive directors whereby variable remuneration may be reduced or (partly) recovered if certain circumstances apply. In 2025, no malus or clawback was applied to any remuneration of the executive directors.

Loans and advances

No loans or advances were granted to Sijmen de Vries or Fabrice Chouraqui in the course of 2025.

Share ownership

The Remuneration Policy requires the Executive Director to acquire and hold shares in the Company with a value of at least 400% of his/her annual base salary. The minimum shareholding can be built up over five years. This minimum shareholding requirement aims to align the interests of the executive directors with those of the Company to drive long-term performance and value creation. The guidelines require that all after-tax shares be retained until the required level is met.

In addition, the Executive Director shall comply with holding requirements under the Dutch Corporate Governance Code. This means that the Executive Director shall hold all after-tax shares received under the long-term incentive plan for a period of at least five years from the date of grant.

Fabrice Chouraqui was first appointed on March 4, 2025, and he did not hold any unrestricted shares in Pharming as of December 31, 2025, As identified above, the Remuneration Policy permits the minimum shareholding to be built over five years since first appointment. Fabrice Chouraqui held 4,637,874 restricted ordinary shares as of December 31, 2025, based on equity awards during the year as further explained in Part I. Therefore, the Executive Director's share ownership will increase, and is expected to well exceed the minimum level, in the coming five years, subject to the vesting of the granted equity awards and taking into consideration the applicable holding period of vested shares according to the Remuneration Policy.

Once the requirements under the Pharming share ownership guidelines and under the Dutch Corporate Governance Code are met, shares may be sold by the Executive Director, subject to the Pharming Insider Code.

Part III: Executive Director pay: looking ahead to 2026

The Remuneration Committee reviewed the annual base salary of Fabrice Chouraqui, as Executive Director/CEO, and recommended to the Board of Directors to set the base salary for the full year 2026 at US$801,750, which represents a 6.9% increase compared to the previous year (2025: US$750,000). The Remuneration Committee took into consideration the outcome of the review of the strong, annual performance of the Executive Director in 2025, the solid performance results of the Company, the results of a U.S. benchmark and the outcome of the compensation merit increases for our wider workforce. The average increase for Pharming employees employed in the U.S., as the country of residence of Fabrice Chouraqui, was 3.4%.

The Remuneration Committee discussed the proposed short-term and long-term goals and objectives in connection with the applicable incentive plans for Fabrice Chouraqui, as Executive Director. Related recommendations were submitted to the Board of Directors. These goals and objectives are summarized below.

2026 STI goals

An outline of the 2026 STI scorecard for the Executive Director, including the applicable weightings is provided below. As stated in our recently approved Remuneration Policy, from the financial year 2024 onwards, the financial targets have a weighting of at least 50% each time.

All 2026 KPIs will be disclosed retrospectively in the 2026 Annual Report.

The Remuneration Committee has undertaken a thorough assessment to ensure that targets are sufficiently stretched in the context of potential remuneration delivered.

The following targets have been set to determine the payout of the cash bonus for the financial year 2026 under the short-term incentive plan.

Theme	Link to strategy	Weighting	KPI
Financials (50%)	Deliver sustainable, profitable growth and value creation.	20%	Net revenue growth - quantitative target (USD) based on 2026 Financial Statements
		20%	Operating costs - quantitative target (USD) based on 2026 Financial Statements
		10%	Operating Cash Flow - quantitative target (USD) based on 2026 Financial Statements
Progress our Pipeline (35%)	Progress a pipeline of innovative therapies through fast pace clinical development, scientific excellence, and continued data disclosure	25%	Progress leniolisib pipeline: 5% weighting EMA approval of Joenja® 5% weighting Japan approval of Joenja® 10% weighting Leniolisib Phase II studies®
		10%	Progress of FALCON study
Embed a Vibrant Culture (15%)	Foster a culture rooted in purpose, collaboration, and accountability, empowering individuals to deliver transformative impact for patients.	15%	Turnover rate voluntary regrettable leavers employee's full year (company-wide) Employee engagement score 2026
TOTAL			

The results for each of the individual (quantitative) KPIs for the 2026 STI are calculated in accordance with the following table:

Actual score compared to target	Result
< 80%	0%
On target	100%
Each exceeding target up to 5%	+1,5% on each 1% increase
Each below target up to 5%	-1,5% on each 1% decrease
Each exceeding target above 5%	+3% on each 1% increase
Each below target above 5%	-3% on each 1% decrease

Maximum result for each individual target: 200%. As approved by our shareholders for Fabrice Chouraqui on March 4, 2025, a 75% payout level applies for his total 'on-target' score, with a maximum payout of 150%.

The table is more restrictive compared to the version as used last year for the STI 2024, by introducing a 5% threshold for awarding a 3% higher result for each 1% higher score. Below the threshold, the awarded higher result has been reduced to 1.5%. The table mirrors this approach in case of a lower score to calculate the lower result.

Executive LTI plan: goals for performance years 2026-2028

As set out in the Remuneration Policy, as adopted by our shareholders, the number of restricted shares to be awarded annually under the Executive LTI Plan for each next performance period of three years, is based on the on-target value and calculated with reference to the 20-day VWAP prior to the start of the performance period. The restricted shares are awarded in the first quarter of the first year of the performance period. Our shareholders approved on March 4, 2025, for Fabrice Chouraqui an on-target value of 425% of Fabrice Chouraqui's annual base salary and a maximum vesting of 637.5%.

As set out in the Remuneration policy, the financial and highly commercially sensitive targets for our Executive LTI Plan will be disclosed retrospectively after vesting of the relevant shares. To enhance transparency, a qualitative summary of these targets, in addition to the full upfront disclosure of all other targets set for the performance years 2026-2028, is provided below.

The on-target value of the conditional shares to be awarded to Fabrice Chouraqui, as CEO, under the Executive LTI plan annually, as approved by our shareholders at the EGM, is set at 425% of the fixed base salary, and the maximum performance value of shares is set at 637.5% of the fixed base salary (each time through a combination of the score on the TSR (40% weighting) and the corporate objectives (60% weighting).

Total Shareholder Return (40%)

We will make no further adjustments to the TSR metric.

Metric	Targets							
TSR relative to AMX and IBB ETF index	Below index	Equal to index	10% above index	20% above index	40% above index	60% above index	80% above index	100% above index
Vesting	0	80%	90%	100%	110%	120%	130%	150%

Strategic Objectives (60%)

We outline the targets for the strategic objectives element of the Executive LTI plan 2026-2028 below. All goals and objectives specify the on-target and above target scores. The financial and highly commercially sensitive targets will be disclosed retrospectively in the 2028 Remuneration Report after vesting of the relevant shares.

Strategic objectives as part of the Executive LTI plan 2026-2028 (40% TSR; 60% strategic objectives)

Theme	Strategic Action	Weighting	KPI	How to measure KPI
Grow our portfolio (20%)	Achieve sustained growth in RUCONEST® and Joenja® revenues	20%	Quantitative target for 3-year period on revenue growth RUCONEST® and Joenja® (including Global market expansion)	To be disclosed retrospectively
Progress our pipeline (20%)	Progress leniolisib lifecycle	10%	CVID and LPID: Enrolment of pivotal Phase III program FDA & EMA approval of pediatrics label	CVID Phase III: To be disclosed retrospectively Pediatrics • 4-11 YO (LE3301) EMA approval Q4 2027 • 1-6 YO (LE3302) FDA approval Q1 2027; EMA Q1 2028
	Progress KL1333 lifecycle	10%	Develop KL1333 – execution development plan in accordance with the approved deal case	Deliver on Execution Plan: • Read out by end of 2027 • Obtain FDA approval by end of 2028
Develop a future ready organization (20%)	Non-organic growth	20%	Targets for continued pipeline expansion	At least 2 in-licensed assets by the end of 2028.
TOTAL		**60%**		

Note: These performance metrics are reflective of Pharming's updated long-term strategy. Reference is made to the section Our Strategy in the Annual Report.

The vesting results for each of the individual (quantitative) KPIs for the 2026-2028 Executive LTI plan, as identified above, are calculated in accordance with the following table:

Actual score compared to target	Vesting result
<80%	0%
On target	100%
Each exceeding target up to 5%	plus 1,5% on each 1% increase
Each below target up to 5%	minus 1,5% on each 1% decrease
Each exceeding target above 5%	plus 3% on each 1% increase
Each below target above 5%	minus 3% on each 1% decrease

A maximum vesting result for each individual target: 200%.

Maximum total vesting percentage all targets: for Fabrice Chouraqui, the shareholders approved on March 4, 2025, an 'on target'-value of 425% of annual base salary and a maximum vesting of 637,5% of annual base salary.

The table is more restrictive compared to the version as used last year for the LTI 2025-2027, by introducing a 5% threshold for awarding a 3% higher result for each 1% higher score. Below the threshold, the awarded higher result has been reduced to 1.5%. The table mirrors this approach in case of a lower score to calculate the lower result.

Pursuant to the remuneration policy, the scores on the strategic objectives have a 60% weighting. The total vesting result on all KPIs, applying the respective designated weightings, is multiplied by 60% ('on target') to calculate the vesting percentage under the LTI for the strategic objectives.

Part IV: Non-Executive Directors: implementation of the remuneration policy in 2025

2025 Remuneration of Non-Executive Directors

In accordance with the remuneration policy, the following annual compensation structure applied in 2025 to the Non-Executive Directors.

Non-Executive Board Member:

- Chair: €90,000 per annum in cash and €40,000 per annum in ordinary shares in Pharming
- Other Members: €45,000 per annum in cash and €30,000 per annum in ordinary shares in Pharming.

All shares shall be valued at the 20 Day VWAP preceding the Annual General Meeting of Shareholders, without further restrictions for grant.

Committee fees:

- Audit Committee: Chair €15,000 and Member €7,500 per annum in cash;
- Remuneration Committee: Chair €12,500 and Member €6,250 per annum in cash;
- Corporate Governance Committee: Chair €12,500 and Member €6,250 per annum in cash; and
- Transaction Committee: Chair €12,500 and Member €6,250 per annum in cash.

The following table summarizes the respective fees that were applied throughout 2025 and that remained unchanged compared to the year 2024.

Roles and responsibilities	2025 Annual fee in cash	2025 Annual fee in shares
Board		
Basic Non-Executive Director Fee	€45,000 (US$50,666)	€30,000 (US$33,777)
Chair	€90,000 (US$101,331)	€40,000 (US$45,036)
Committees		
Member of Audit Committee	€7,500 (US$8,444)	n/a
Member of Remuneration Committee	€6,250 (US$7,037)	n/a
Member of Corporate Governance Committee	€6,250 (US$7,037)	n/a
Member of Transaction Committee	€6,250 (US$7,037)	n/a
Chair of Audit Committee	€15,000 (US$16,889)	n/a
Chair of Remuneration Committee	€12,500 (US$14,074)	n/a
Chair of Corporate Governance Committee	€12,500 (US$14,074)	n/a
Chair of Transaction Committee	€12,500 (US$14,074)	n/a

All amounts were paid in euros and have been rounded. All shares are valued at the 20 Day VWAP preceding the Annual General Meeting of Shareholders in the relevant year. The USD figures have been included to ensure consistency with the other sections of the 2025 Annual Report, applying an FX rate of 1.1259 (average 2025) for the amounts paid in 2025. The amounts paid in 2024 have been calculated using an FX rate of 1.0804 (average 2024).

The total annual remuneration paid is based on the position of an individual in the Board of Directors and the committees. All reasonable travel and other expenses incurred by Non-Executive Directors in the course of performing their duties are considered to be business expenses and are therefore reimbursed. An additional compensation of €1,000 per day applies in case of extraordinary activities, as determined by the Chair of the Board of Directors.

No loans or other financial commitments (advances, guarantees, shares or options) were made to Non-Executive Directors on behalf of the Company in 2025. Additionally, Non-Executive Directors are not entitled to participate in any benefits offered to Executives and staff.

The fees paid to the Non-Executive Directors for their membership of the Board of Directors (including the fixed fee in cash and the fixed fee in shares) have not been changed since 2020, despite annual inflation increases, while the meetings and other activities of the Board of Directors have increased significantly. Therefore, the Board of Directors will propose to the Annual General Meeting of Shareholders scheduled for May 28, 2026, to amend the Remuneration Policy for the Board of Directors to the effect that the remuneration to be paid to the Non-Executive Directors, as chairs/members of the Board and the Committees, respectively, shall be increased annually in accordance with the official annual Dutch Consumer Price Index increase. The Board of Directors has also initiated a market review of the annual compensation by an external reward agency.

Compensation overview per Non-Executive Director in 2025

The mandates of Deborah Jorn and Steven Baert expired at the AGM held on June 11, 2025. Elaine Sullivan was appointed as new Non-Executive Director during the same AGM and had started as observer effective April 30, 2025. Taking into consideration these changes, the following table summarizes the remuneration paid to the individual Non-Executive Directors in 2025.

Name of Director, position	Fixed fee in cash ('000)	Fixed fee in shares ('000)	Committee fee ('000)	Total ('000)
Dr. Richard Peters, Chair	€90 (US$101)	€40 (US$45)	€19 (US$21)	€149 (US$167)
Deborah Jorn, Non-Executive Director	€20 (US$23)	€13 (US$15)	€6 (US$7)	€39 (US$45)
Leonard Kruimer, Non-Executive Director	€45 (US$51)	€30 (US$34)	€21 (US$24)	€96 (US$109)
Dr. Mark Pykett, Non-Executive Director	€45 (US$51)	€30 (US$34)	€13 (US$15)	€88 (US$100)
Steven Baert, Non-Executive Director	€23 (US$26)	€13 (US$15)	€9 (US$10)	€45 (US$51)
Jabine van der Meijs, Non-Executive Director	€45 (US$51)	€30 (US$34)	€26 (US$29)	€101 (US$114)
Barbara Yanni, Non-Executive Director	€45 (US$51)	€30 (US$34)	€26 (US$29)	€101 (US$114)
Elaine Sullivan, Non-Executive Director	€31 (US$35)	€20 (US$23)	€13 (US$15)	€64 (US$73)

All amounts were paid in euros and have been rounded. There are no out of ordinary expenses to be reported. The USD figures have been included to ensure consistency with the 2025 Annual Report, applying an FX rate of 1.1259 (average 2025) for the amounts paid in 2025. The amounts paid in 2024 have been calculated using an FX rate of 1.0804 (average 2024).

Shares owned by Non-Executive Directors as of December 31, 2025

Name of Director	Shares held December 31, 2025	Shares held December 31, 2024
Dr. Richard Peters, Chair	104,742	62,875
Dr. Mark Pykett, Non-Executive Director	177,469	146,069
Ms. Barbara Yanni, Non-Executive Director	177,449	146,069
Mr. Leonard Kruimer, Non-Executive Director	152,631	121,231
Ms. Jabine van der Meijs, Non-Executive Director	152,631	121,231
Dr. Elaine Sullivan, Non-Executive Director	21,163	N/A

Compensation per Non-Executive Director and former Supervisory Directors 2021-2025

The following table reflects the amounts of compensation paid to the Non-Executive Directors in the past five years. The amounts of compensation paid to the members of the former Board of Supervisory Directors in 2021, who retired in 2020, 2021 and 2023, have been added for a comprehensive overview of the compensation at the non-executive level in the past five years.

It is emphasized that the former Board of Supervisory Directors was replaced by the Board of Directors as per December 11, 2020, which resulted in a significant change in tasks and responsibilities of the non-executive directors compared to the former supervisory directors.

This change was reflected in the remuneration policy for the Board of Directors, as first adopted by our shareholders on December 11, 2020.

The mandates of Deborah Jorn and Steven Baert expired at the AGM held on June 11, 2025. Elaine Sullivan was appointed as new Non-Executive Director during that same AGM and started as observer effective April 30, 2025. These changes have also been included in the tables below.

in EUR / US$ '000	Year	Fixed remuneration		Share-based payments		Total	
Richard Peters	2025	€109	$122	€40	$45	€149	$167
	2024	€90	$97	€40	$43	€130	$140
	2023	€24	$26	€19	$20	€43	$46
	2022	—	—	—	—	—	—
	2021	—	—	—	—	—	—
Deborah Jorn (retired in 2025)	2025	€26	$30	€14	$15	€40	$45
	2024	€45	$49	€30	$32	€75	$81
	2023	€51	$55	€30	$32	€81	$87
	2022	€52	$55	€30	$32	€82	$87
	2021	€54	$64	€35	$42	€89	$106
Barbara Yanni	2025	€71	$80	€30	$34	€101	$114
	2024	€45	$49	€30	$32	€75	$81
	2023	€57	$62	€30	$32	€87	$94
	2022	€50	$53	€30	$32	€80	$85
	2021	€50	$60	€30	$36	€80	$96
Mark Pykett	2025	€58	$66	€30	$34	€88	$100
	2024	€45	$49	€30	$32	€75	$81
	2023	€51	$55	€30	$32	€81	$87
	2022	€47	$50	€30	$32	€77	$82
	2021	€47	$57	€30	$36	€77	$93
Jabine van der Meijs	2025	€71	$80	€30	$34	€101	$114
	2024	€45	$49	€30	$32	€75	$81
	2023	€57	$62	€30	$32	€87	$94
	2022	€54	$57	€30	$32	€84	$89
	2021	€40	$47	€20	$24	€60	$71

in EUR / US$ '000	Year	Fixed remuneration		Share-based payments		Total	
Leonard Kruimer	2025	€66	$75	€30	$34	€96	$109
	2024	€45	$49	€30	$32	€75	$81
	2023	€57	$58	€30	$32	€87	$90
	2022	€54	$57	€30	$32	€84	$89
	2021	€40	$47	€20	$24	€60	$71
Steven Baert (retired in 2025)	2025	€32	$36	€14	$15	€46	$51
	2024	€45	$49	€30	$32	€75	$81
	2023	€54	$58	€30	$32	€84	$90
	2022	€52	$55	€30	$32	€82	$87
	2021	€38	$45	€20	$24	€58	$69
Elaine Sullivan	2025	€44	$50	€20	$23	€64	$73
	2024	—	—	—	—	—	—
	2023	—	—	—	—	—	—
	2022	—	—	—	—	—	—
	2021	—	—	—	—	—	—

The following table includes the amounts of fixed and variable remuneration paid to the members of the former Board of Supervisory Directors who retired from the Board in 2020, 2021 and 2023, respectively, and former members of the Board of Directors. This table has been included for a comprehensive overview of the remuneration package at statutory board level in the past five years.

in EUR / US$ '000	Year	Fixed remuneration		Share-based payments		Total	
Paul Sekhri (retired in 2023)	2025	—	—	—	—	—	—
	2024	—	—	—	—	—	—
	2023	€51	$55	€30	$32	€81	$87
	2022	€68	$72	€40	$42	€108	$114
	2021	€65	$77	€46	$55	€111	$132
Barrie Ward (retired in 2021)	2025	—	—	—	—	—	—
	2024	—	—	—	—	—	—
	2023	—	—	—	—	—	—
	2022	—	—	—	—	—	—
	2021	€19	$23	€17	$20	€36	$43
Juergen Ernst (retired in 2020)	2025	—	—	—	—	—	—
	2024	—	—	—	—	—	—
	2023	—	—	—	—	—	—
	2022	—	—	—	—	—	—
	2021	—	—	€5	$6	€5	$6
Aad de Winter (retired in 2020)	2025	—	—	—	—	—	—
	2024	—	—	—	—	—	—
	2023	—	—	—	—	—	—
	2022	—	—	—	—	—	—
	2021	€22	$26	€18	$21	€40	$47

Financial Statements

Consolidated financial statements

Consolidated statement of income

For the year ended December 31

Amounts in US$ '000	notes	2025	2024
Revenues	6	**376,134**	**297,200**
Costs of sales	8	**(45,500)**	**(35,399)**
Gross profit		**330,634**	**261,801**
Other income	7	**6,528**	**2,177**
Research and development		(100,367)	(83,147)
General and administrative		(79,958)	(70,650)
Marketing and sales		(130,995)	(118,802)
Other Operating Costs	8	**(311,320)**	**(272,599)**
Operating profit (loss)		**25,842**	**(8,621)**
Fair value gain (loss) on revaluation	14, 20	2,345	4,990
Other finance income	9	2,176	6,843
Other finance expenses	9	(18,140)	(9,944)
Finance gain (cost) net		**(13,618)**	**1,889**
Share of net profits (loss) in associates using the equity method	14	**623**	**(1,760)**
Profit (loss) before tax		**12,847**	**(8,492)**
Income tax credit (expense)	10	(10,310)	(3,349)
Profit (loss) for the year		**2,538**	**(11,841)**
Attributable to:			
Equity holders of the parent		2,851	(11,841)
Non-controlling interests	4	(313)	—
Earnings per share			
Basic earnings per share (US$)	29	0.004	(0.018)
Diluted earnings per share (US$)	29	0.004	(0.018)

The notes are an integral part of these financial statements.

Consolidated statement of comprehensive income

For the year ended December 31

Amounts in US$ '000	notes	2025	2024
Profit (loss) for the year		**2,538**	**(11,841)**
Currency translation differences	19	29,060	(11,980)
Items that may be subsequently reclassified to profit or loss		**29,060**	**(11,980)**
Fair value remeasurement investments	10, 14	—	79
Items that shall not be subsequently reclassified to profit or loss		**—**	**79**
Other comprehensive income (loss), net of tax		**29,060**	**(11,901)**
Total comprehensive income (loss) for the year		**31,598**	**(23,742)**
Attributable to:			
Equity holders of the parent		31,828	(23,742)
Non-controlling interests	4	(230)	—

The notes are an integral part of these financial statements.

" I can try. That's my answer to everything. If you want to go shopping next Thursday, I can try. I can't tell you that I can do it. But I can try."

Patient living with HAE

Consolidated balance sheet

as at December 31

Amounts in US$ '000	notes	2025	2024
Non-current assets			
Intangible assets	11	135,538	61,039
Property, plant and equipment	12	7,233	7,752
Right-of-use assets	13	16,738	16,382
Long-term prepayments		94	90
Deferred tax assets	10	31,017	30,544
Investment accounted for using the equity method	14	1,944	466
Investment in debt instruments designated as at FVTPL	14	6,703	3,767
Restricted cash	16	1,227	1,505
Total non-current assets		**200,495**	**121,545**
Current assets			
Inventories	17	64,902	55,724
Trade and other receivables	18	54,704	54,823
Restricted cash	16	761	—
Marketable securities	15	33,796	112,949
Cash and cash equivalents	16	145,305	54,944
Total current assets		**299,469**	**278,440**
Total assets		**499,963**	**399,985**

Amounts in US$ '000	notes	2025	2024
Equity			
Share capital		8,009	7,769
Share premium		513,257	488,990
Other reserves		28,819	(209)
Accumulated deficit		(272,983)	(275,489)
Total equity	19	**277,102**	**221,061**
Non-current liabilities			
Convertible bonds	20	92,719	78,154
Lease liabilities	22	14,351	26,968
Total non-current liabilities		**107,070**	**105,122**
Current liabilities			
Convertible bonds	20	5,336	4,245
Provisions	21	1,187	—
Trade and other payables	23	105,899	66,611
Lease liabilities	22	3,369	2,946
Total current liabilities		**115,791**	**73,802**
Total equity and liabilities		**499,963**	**399,985**

The notes are an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended December 31

		Attributable to equity holders of the parent						
Amounts in US$ '000	notes	Share capital	Share premium	Other reserves	Accumulated deficit	Subtotal	Non-controlling interest	Total equity
December 31, 2023		**7,669**	**478,431**	**(2,057)**	**(265,262)**	**218,781**	**—**	**218,781**
Profit (loss) for the year		—	—	—	(11,841)	(11,841)	—	(11,841)
Movement in reserves		—	—	1,555	(1,555)	—	—	—
Other comprehensive income (loss) for the year		—	—	(11,901)	—	(11,901)	—	(11,901)
Total comprehensive income (loss) for the year		**—**	**—**	**(10,346)**	**(13,395)**	**(23,741)**	**—**	**(23,742)**
Income tax expense from excess tax deductions related to share-based payments	19	—	—	—	(66)	(66)	—	(66)
Movement in reserves		—	—	(31)	31	—	—	—
Share-based compensation	19, 24	—	—	—	11,248	11,248	—	11,248
Options exercised / LTIP shares issued		100	10,559	—	(8,044)	2,615	—	2,615
Value of conversion rights of convertible bonds, net of tax		—	—	12,225	—	12,225	—	12,225
Total transactions with owners, recognized directly in equity		**100**	**10,559**	**12,194**	**3,169**	**26,022**	**—**	**26,022**
Balance at December 31, 2024		**7,769**	**488,990**	**(209)**	**(275,489)**	**221,061**	**—**	**221,061**
Profit (loss) for the year		—	—	—	2,851	2,851	(313)	2,538
Other comprehensive income (loss) for the year		—	—	28,977	—	28,977	83	29,060
Total comprehensive income (loss) for the year		**—**	**—**	**28,977**	**2,851**	**31,828**	**(230)**	**31,598**
Income tax expense from excess tax deductions related to share-based payments	19	—	—	—	1,343	1,343	—	1,343
Movement in reserves		—	—	(32)	32	—	—	—
Share-based compensation	19, 23	—	—	—	13,766	13,766	—	13,766
Options exercised / LTIP shares issued	24	241	24,266	—	(14,581)	9,926	—	9,926
Acquisition of a subsidiary	4	—	—	—	—	—	7,285	7,285
Capital contributions to a subsidiary with non-controlling interests		—	—	—	(706)	(706)	706	—
Acquisition of non-controlling interests	4	—	—	83	(198)	(115)	(7,761)	(7,876)
Total transactions with owners, recognized directly in equity		**241**	**24,266**	**51**	**(345)**	**24,213**	**230**	**24,443**
Balance at December 31, 2025		**8,009**	**513,257**	**28,819**	**(272,983)**	**277,102**	**—**	**277,102**

The notes are an integral part of these financial statements. Further detail on the other reserves is included in note 19. Shareholders' equity

Consolidated statement of cash flows

For the year ended December 31

Amounts in US$ '000	notes	2025	2024
Profit (loss) before tax		**12,847**	**(8,492)**
Adjustments to reconcile net profit (loss) to net cash used in operating activities:			
Depreciation, amortization, impairment of non-current assets	8, 11,12,13	11,216	16,070
Equity settled share based payments	19	13,766	11,248
Fair value loss (gain) on revaluation	14, 20	(2,345)	(4,990)
Loss (gain) on disposal of leases	13, 22	(3,733)	22
Other finance income	9	(2,176)	(6,843)
Other finance expenses	9	17,901	9,887
Share of net losses (gains) in associates using the equity method	14	(623)	1,758
Operating cash flows before changes in working capital		**46,853**	**18,660**
Changes in working capital:			
Inventories	17	(1,288)	(503)
Trade and other receivables	18	(3,355)	(6,783)
Payables and other current liabilities	23	14,126	(2,769)
Provisions	21	1,187	—
Restricted cash	16	(285)	(17)
Total changes in working capital		**10,385**	**(10,072)**
Interest received	9	2,069	5,201
Income taxes received (paid)	10	(4,599)	(15,584)
Net cash flows generated from (used in) operating activities		**54,708**	**(1,795)**

Amounts in US$ '000	notes	2025	2024
Capital expenditure for property, plant and equipment	12	(749)	(790)
Investment intangible assets	11	(6)	(6)
Disposal of investment designated as at FVOCI	14	224	2,098
Investment in associates using the equity method	14	(739)	—
Purchases of marketable securities	15	(2)	(284,314)
Proceeds from sale of marketable securities	15	85,001	314,630
Acquisition of a subsidiary, net of cash acquired	4	(57,476)	
Net cash flows generated from (used in) investing activities		**26,252**	**31,618**
Payment of lease liabilities	22	(4,245)	(4,008)
Interests on lease liabilities	22	(1,130)	(1,141)
Net proceeds of issued convertible bonds	20	—	104,539
Repurchase of convertible bonds	20	—	(134,924)
Interests on convertible bonds	20	(5,067)	(4,457)
Acquisition of non-controlling interests	4	(7,876)	—
Exercise of share-based compensation awards	19	19,813	5,579
Net cash flows generated from (used in) financing activities		**1,495**	**(34,412)**
Increase (decrease) of cash		**82,454**	**(4,589)**
Exchange rate effects		7,907	(2,208)
Cash and cash equivalents at January 1	16	54,944	61,741
Total cash and cash equivalents at December 31		**145,305**	**54,944**

The notes are an integral part of these financial statements.

Notes to the consolidated financial statements

1. Corporate information

The consolidated financial statements of Pharming Group N.V. ("the Company", "Pharming" or "the Group"), Leiden for the year ended December 31, 2025, were authorized for issue in accordance with a resolution of the Board of Directors on April 1, 2026. The financial statements are subject to adoption by the Annual General Meeting of shareholders, which has been scheduled for May 28, 2026.

Pharming Group N.V. is a limited liability public company, which is listed on Euronext Amsterdam ("PHARM"). The Company's American Depositary Shares ("ADSs") are listed on the Nasdaq Global Market ("Nasdaq") under the symbol "PHAR". Each ADS represents 10 of the Company's ordinary shares of €0.01 nominal value.

In April 2024, Pharming Group N.V. issued convertible bonds, see note 20. Convertible bonds. These bonds are listed on the Frankfurt Exchange (Börse Frankfurt; ISIN: XS2763018889).

The headquarters and registered office of Pharming Group N.V. is located at:
Darwinweg 24
2333 CR Leiden
The Netherlands

Pharming Group N.V. is registered at the Chamber of Commerce in the Netherlands under number 28048592.

Pharming Group N.V. is the ultimate parent company of Pharming Group. A list of subsidiaries is provided in note 2.3 Basis of consolidation.

Pharming Group N.V. is a global biotechnology company that develops and commercializes innovative therapies for rare and ultra-rare diseases with significant unmet need. We focus on immunological and genetic conditions where our scientific and commercial expertise can help advance care over the long term. Pharming is headquartered in Leiden, the Netherlands, with a significant proportion of its employees based in the U.S.

Date of authorization of issue

The financial statements were signed and authorized for issue by the Board of Directors on April 1, 2026. The adoption of the financial statements is reserved for the shareholders in the Annual General Meeting of Shareholders (AGM) on May 28, 2026.

2. Accounting principles and policies

2.1 Basis of preparation

The consolidated financial statements are prepared in accordance with the IFRS® Accounting Standards as issued by the International Accounting Standards Board, or IASB, and as adopted by the European Union. The consolidated financial statements have been prepared under the historical cost convention, unless otherwise stated.

The preparation of financial statements in conformity with IFRS and Book 2 Title 9 of the Dutch Civil Code requires the use of certain material accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.5 Material accounting judgements and estimates.

These financial statements are presented in US Dollars (US$, USD) and rounded to the nearest thousand dollar ($'000), unless stated otherwise.

2.2 New and revised IFRS standards

The Company applied for the first-time certain amendments, which are effective for annual periods beginning on or after January 1, 2025, as disclosed below.

- Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

Its adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued but are not yet effective.

The new and amended standards and interpretations that are issued, but are not yet effective or endorsed for use in the EU, up to the date of issuance of the Group's financial statements, which the Group intends to adopt, if applicable, when they become effective, are disclosed below.

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Accounting Standards – Volume 11: Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity
- IFRS 18: Presentation and Disclosures in Financial Statements
- IFRS 19: Subsidiaries without Public Accountability: Disclosures

The Board of Directors does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods, except for IFRS 18 Presentation and Disclosures in Financial Statements.

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements; and
- improve aggregation and disaggregation.

While recognition and measurement of items will remain unchanged, the presentation in the consolidated statement of income will be affected. In addition, the cash flow statement will also be effected, as well as the disclosures related to these statements. New disclosure requirements are expected to include the management-defined performance measures and a breakdown of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss for certain nature expenses. Lastly, for the first annual period of application of IFRS 18, a reconciliation for each line item in the statements of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Board of Directors anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

2.3 Basis of consolidation

The consolidated financial statements include Pharming Group N.V. and its controlled subsidiaries, after the elimination of all intercompany transactions and balances. Subsidiaries are consolidated from the date the acquirer obtains effective control until control ceases.

An entity is considered effectively controlled if the Company, directly or indirectly, has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Acquisitions of subsidiaries are accounted for using the acquisition method of accounting.
The financial statements of the subsidiaries are prepared for the same reporting year as Pharming Group N.V., using the same accounting policies. Intercompany transactions, balances and unrealized gains and losses on transactions between group companies are eliminated.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent entity and to the non-controlling interests. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent entity.

The following table provides an overview of the consolidated subsidiaries at December 31, 2025:

Entity	Registered office	Investment %
Pharming Americas B.V.	The Netherlands	100
Pharming Intellectual Property B.V.	The Netherlands	100
Broekman Instituut B.V.	The Netherlands	100
Pharming Healthcare, Inc.	The United States	100
ProBio, Inc.	The United States	100
Pharming Technologies B.V.	The Netherlands	100
Pharming Research & Development B.V.	The Netherlands	100
Pharming Australia Pty Ltd	Australia	100
Pharming UK Ltd	The United Kingdom	100
Pharming Germany GmbH*	Germany	100
Pharming France SAS*	France	100
Abliva AB**	Sweden	100
Abliva, Inc.***	The United States	100

* This entity was established in November 2025
** This entity was acquired in February 2025
*** This entity is dissolved in January 2026

2.4 Accounting principles and policies

Foreign currency translation

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements in US Dollars, the assets and liabilities of the Group's operations having a different functional currency are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in a foreign exchange translation reserve. The following exchange rates were applied:

Applied exchange rates	December 31, 2025	Average 2025	December 31, 2024	Average 2024
EUR/USD	1.1713	1.1259	1.0350	1.0804
AUD/USD	0.6699	0.6442	0.6224	0.6596
GBP/USD	1.3455	1.3181	1.2488	1.2772
SEK/USD	0.1083	0.1018	Not used	Not used

Distinction between current and non-current

An item is classified as current when it is expected to be realized (settled) within 12 months after the end of the reporting year. Liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Intangible assets acquired separately

Intangible assets acquired separately are measured at historical cost. The cost of intangible assets acquired in a business combination is recognized and measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Variable considerations that are part of the purchase of an intangible asset are recognized as a liability when the considerations become due.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible assets may be impaired and at the end of each reporting period. The estimated useful lives, residual values and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Changes in the expected useful life, according to the straight-line method, or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of income in the relevant expense category consistent with the function of the intangible asset.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation charges and accumulated impairment charges. Generally, depreciation is calculated using a straight-line basis over the estimated useful life of the asset. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the year the asset is derecognized. Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end.

All costs that are directly attributable to bringing an asset to the location and condition necessary for it to be capable of operating in the manner intended by management, will be capitalized. These costs include direct employee benefits, rent and testing costs. Capitalization will be done until the asset is capable of operating in the manner intended by management.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is recognized initially in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate.

When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount.
Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets are derecognized when the rights to receive cash flows from the financial assets expire, or if the Company transfers the financial asset to another party and does not retain control or substantially all risks and rewards of the asset. Purchases and sales of financial assets in the normal course of business are accounted for at settlement date (i.e., the date that the asset is delivered to or by the Company).

At initial recognition, the Company measures its financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

After initial recognition, the Company classifies its financial assets as subsequently measured at either (i) amortized cost, (ii) fair value through other comprehensive income or (iii) fair value through profit or loss on basis of both:

- the Company's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

Subsequent to initial recognition, financial assets are measured as described below. At each balance sheet date, the Company assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognizes a loss allowance for expected credit losses for financial assets measured at either amortized costs or at fair value through other comprehensive income. If, at the reporting date, the credit risk on financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months of expected credit losses. If, at the reporting date, the credit risk on a financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for the financial instrument at an amount equal to the lifetime expected credit losses.

Financial assets at amortized cost

Financial assets are measured at amortized cost if both (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest of on the principal amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction cost directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, less any impairment losses.

Financial assets held to maturity are measured at amortized cost in the manner described in note 14 Investments.

Financial assets at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the legal reserve fair value revaluation. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Financial assets at fair value through profit and loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'fair value gain (loss) on revaluation' line item (note 14. Investments). Fair value is determined in the manner described in note 14. Investments.

Impairment of assets

Assets that have an indefinite useful life and assets not yet available for use are not subject to depreciation or amortization and are tested at least annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets for which an impairment loss is recorded, are reviewed for possible reversal of the impairment at each reporting date.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First in First out (FIFO) method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Trade and other receivables

Trade and other receivables are recognized initially at transaction price. Subsequent measurement is at amortized cost using the effective interest method, less the expected credit loss. Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. For trade receivables and contract assets, the Company applies a simplified approach in calculating expected credit loss. The Company assesses the expected credit loss that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments (maturity less than 3 months) readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the statement of cash flow, cash and cash equivalents do not include restricted cash and the interest on cash is accounted for as operating cash flow.

Marketable securities

Marketable securities are financial assets held for short-term purposes which are principally traded in liquid markets and are classified within current assets on the consolidated balance sheet. Marketable securities are measured as financial assets as described above. The financial impacts related to Marketable securities are recorded in 'Other finance income' in the consolidated statement of income. The cash (re)payments relating to Marketable securities are classified as investing activities. The cash flows relating to interest from Marketable securities held at amortized cost are classified as cash flows generated from operating activities.

Marketable securities are measured as financial assets in the manner described in note 15. Marketable securities.

Equity

The Company only has ordinary shares, and these are classified within equity upon issue. Shares transferred in relation to settlement of (convertible) debt are measured at fair value with fair value based on the closing price of the shares on the trading day prior to the settlement date. Equity is recognized upon the recognition of share-based payment expenses; shares issued upon exercise of such options are measured at their exercise price.

Transaction costs associated with an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. Transaction costs related to the issue of a compound financial instrument are allocated to the liability and equity components of the instruments in proportion to the allocation of proceeds.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss (derivative financial liabilities) or financial liabilities at amortized cost (trade and other payables). All financial liabilities at amortized cost are initially recognized at the fair value of the consideration received less directly attributable transaction costs; transaction costs related to the issue of a compound financial instrument are allocated to the liability and equity components of the instruments in proportion to the allocation of proceeds. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method.

Gains and losses are recognized in the statement of income when the liabilities are paid off or otherwise eliminated as well as through the amortization process. Purchases and sales of financial liabilities are recognized at settlement date.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Convertible bonds

The convertible bonds are classified as hybrid financial instruments under IAS 32 and pursuant to it the debt host contract and the embedded derivative for the fair value of the conversion rights into Pharming shares (the "conversion option") are recognized separately.

The component parts of convertible bonds issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument. If, or until, this fixed-for-fixed criterion is not met, the conversion option is recognized as a financial liability derivative at fair value through profit or loss. When this fixed-for-fixed criterion is met at a later date, the conversion option is reclassified to equity at fair value, resulting in a fair value result immediately prior to the reclassification.

If the fixed-for-fixed criterion is met, at the date of issue, the fair value of the debt host contract is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method. The conversion option classified as equity at issuance is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured.

If the fixed-for-fixed criterion is not met, the conversion option classified as a financial liability derivative at recognition is measured using a pricing model. Upon and in case of reclassification to equity when the fixed-for-fixed criterion is met at a later date, the conversion option is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. The debt host contract is measured as the difference between the proceeds from the bond and the value of the conversion option at initial recognition. This debt host contract is subsequently measured at amortized cost.

Direct costs associated with the issue of the convertible bonds are allocated to the debt host contract and the conversion option in amounts proportional to the allocation of the gross proceeds. They are accounted for respectively in the amortized cost (debt host contract) and in equity (conversion option meeting fixed-for-fixed criterion at initial recognition), or in the income statement (conversion option not meeting fixed-for-fixed criterion at initial recognition).

In the case the Company extinguishes the convertible bond before maturity through an early redemption or repurchase, the difference between the carrying amount of the debt host contract (or part of the debt host contract) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, will be recognized in the income statement.

Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The expense relating to any provision is presented in the statement of income net of any reimbursement.

A restructuring provision is recognized when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Trade and other payables

Trade and other payables are initially recognized at fair value. Subsequent measurement is at amortized cost using the effective interest method.

Revenue recognition

In order to determine when to recognize revenue and at what amount, the Company applies the following five steps, based on transfer of control over goods to the customer:

1. Identify the contract(s) with a customer;
2. Identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods that are distinct;
3. Determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer;
4. Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract; and
5. Recognize revenue when a performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognized as the performance obligation is satisfied.

All of the Group's revenue from contracts with customers is derived from delivery of goods, specifically pharmaceutical products. The Group does not provide any additional services (including financing services) or equipment to its customers. In accordance with IFRS 15, revenue is recognized when the customer obtains control of the goods. For the Group's contracts the customer usually obtains control immediately after shipment of the product, which arrives at the customer within a short time frame.

The vast majority of the Group's contracts for revenue with customers are subject to chargebacks, discounts and/or rebates relating directly to customers or to ultimate reimbursement claims from government or insurance payers. These are accounted for on an estimated net basis, with any actual discounts and rebates used to refine the estimates in due course. These variable elements are deducted from revenue in the same period as the related sales are recorded. Due to the nature of these variable elements, it is not practicable to give meaningful sensitivity estimates due to the large volume of variables that contribute to the overall discounts, rebates and chargebacks accruals.

Other income

Other income consists of gains upon sale of investments, income from government grants and gains from early termination or modification of lease agreements.

Pharming receives certain grants which support the Company's research efforts in defined research and development projects. These subsidies generally provide for reimbursement of approved costs incurred as defined in various grants. Subsidies are recognized if the Company can demonstrate it has complied with all attached conditions and it is probable that the grant amount will be received. Grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate.

The Company includes income from grants under other income in the statement of income in order to enable comparison of its statement of income with companies in the life sciences sector.

Gains arising from the early termination or modification of lease arrangements are recognized in Other income in accordance with IFRS 16. Such gains represent the difference between the carrying amounts of the related right-of-use assets and lease liabilities derecognized and any consideration paid or received as part of the termination. Further details are provided in note 13. Right-of-use assets. If the termination or modification of lease arrangements result in a loss, it is included in Other operating cost.

Employee retention credits represent refundable government incentives designed to support employment. These amounts are recognized in Other income when the Company has complied with the relevant conditions and receipt is reasonably assured. As these credits do not relate to the Company's ordinary revenue-generating activities, they are presented within Other income.

Other income may also include incidental receipts such as regulatory milestone payments or similar items. Such income is recognized when the Company becomes entitled to the amount, the related performance obligations (if any) have been satisfied, and collection is probable.

Pension plan

For all Dutch employees, the Company participates in defined contribution pension plans with an independent insurance company. Defined contributions are expensed in the year in which the related employee services are rendered.

Employees in the United States are enabled to participate in a 401k plan, which also qualifies as a defined contribution plan. To become an eligible participant, an employee must complete 6 months of service and attain the age of 18 years. The employer matches 100% of the first 3% the employee

contributes to their 401k plan and 50% of any amount over 3% up to 5%. Any employee contribution over 5% is not matched. Costs of the 401k plan are expensed in the year in which the related employee services are rendered.

Share-based payment

The costs of option plans are measured by reference to the fair value of the options on the date on which the options are granted. The fair value is determined using the Black-Scholes model. The costs of these options are recognized in the income statement (share-based compensation) during the vesting period, together with a corresponding increase in equity (other reserves). If required, the estimate of the number of equity instruments expected to vest is revised on a yearly basis. The impact of this revision is reflected in the statement of profit and loss (other operating costs) and statement of changes in equity. Share-based payment charges do not affect liabilities or cash flows in the year of expense since all transactions are equity-settled.

Pharming's employee option plan states that an employee is entitled to exercise the vested options within five years after the date of the grant. The period in which the options become unconditional is defined as the vesting period.

Long Term Incentive Plan

For a limited number of board members and officers, performance shares are granted free of charge. A maximum number of predetermined shares vest three years after the grant date, provided that the participant to the long-term incentive plan is still in service (continued employment condition), with actual shares to be transferred based on the relative achievement of Pharming's share price compared to a peer group.

The fair value is determined using Monte Carlo simulation. The costs of the LTIP are recognized in the income statement during the vesting period. The fair value at the grant date includes the market performance condition (relative total shareholder return performance) but excludes the three-year service condition. The performance includes Total Shareholder Return (40% weighing) and achievement of long-term strategy-oriented objectives (60% weighing). The Total Shareholders Return is compared to a peer group.

The shares granted to the Executive Director under the LTIP, will vest in 3 years after the grant date, subject to the achievement of targets for a three-year performance period, their relative weightings and the pay-out limits. All shares will be subject to a retention period of 5 years from the date of grant. In order to fully become entitled to the shares vesting under the LTI conditions the participant must be a member of the Board of Directors as Executive Board Member at the vesting date.

The costs of the LTIP are recognized in the income statement during the vesting period.

Restricted Stock Unit Plan

For a limited number of employees, restricted stock units are granted free of charge. A maximum number of predetermined shares vest four years after the grant date, provided that the participant to the long-term incentive plan is still in service (continued employment condition).

The fair value is determined to be the market price at the grant date. The costs of the RSU grant are recognized in the income statement during the vesting period.

Leases

The Group assesses whether a contract is or contains a lease at the inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is a lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which the economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liability is presented as a separate line in the consolidated balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated balance sheet.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability. The related payments are recognized as an expense in the period in which the event or condition triggers those payments occur.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. For contracts that contain lease components and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group has not used this practical expedient.

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. The Board of Directors periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to use those temporary differences and losses. The Company has assessed all its income tax amounts and provisions in the light of IFRIC 23 'Accounting for Uncertain Income Taxes', and has concluded that it is probable that its particular tax treatment will be accepted in all relevant jurisdictions and thus it has determined taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Earnings per share

Basic earnings per share are calculated based on the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are computed based on the weighted average number of ordinary shares outstanding including the dilutive effect of shares to be issued in the future under certain arrangements such as option plans and convertible loan agreements.

2.5 Material accounting judgments and estimates

The preparation of financial statements requires judgments and estimates that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The main estimates and assumptions that have a risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Judgments:

Biological Assets

The Group's manufacturing process utilizes transgenic rabbits to produce this human recombinant protein in their milk. The rabbits are raised at specialized and regulator approved facilities with high standards of animal husbandry, welfare and security.

The Board of Directors has assessed the accounting for these biological assets under IAS 41: Agriculture, and concluded that the recognition criteria in IAS 41.10(c) are not met as the fair value or cost of the asset cannot be measured reliably due to their uniqueness and very special transgenic nature. The cost associated with raising, nurturing and milking the rabbits are expensed in profit or loss as incurred.

Estimates:

Revenue - U.S. Revenue Rebate Accruals

Revenue is recognized when control has been transferred to the customer. Revenue is reduced by chargebacks and rebates for government healthcare programs, discounts to specialty pharmacies and wholesalers, and product returns given or expected to be given, which vary by patient groups, which represent variable revenue constraints under IFRS 15. Chargebacks and rebates for healthcare programs depend upon the submission of claims sometime after the initial recognition of the sale. The liability for this variable consideration is made, at the time of sale, for the estimated chargebacks and rebates, mainly U.S. Medicaid, based on available market information and historical experience. Because the amounts are estimated they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of patient groups. The level of these liabilities is being reviewed and adjusted regularly in the light of contractual and legal obligations, historical charges and trends, past experience and projected mixtures of patient groups. The Group acquires this information from both internal resources and external parties.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Group. More information around accruals for rebates and discounts can be found in note 23 of the notes to the consolidated financial statements.

Identification and measurement of assets acquired and liabilities assumed on acquisition of Abliva AB

In 2025, the Group completed the acquisition of Abliva AB (see note 4. Business Combinations and acquisitions of non-controlling interests). The identification and measurement of the identifiable assets acquired and liabilities assumed required the application of significant management judgment, particularly in determining the fair value of the napazimone (KL1333) license using a probability-adjusted discounted cash flow model. These estimates involved key assumptions regarding long-term revenue forecasts, development timelines, commercialization prospects, and discount rates as well as timing of regulatory approvals. Given the sensitivity of the valuation to these assumptions, the purchase price allocation represents an area of significant accounting judgment. Further details on the acquisition and the related purchase price allocation are included in note 4.

3. Going concern assessment

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Group's consolidated financial statements have been prepared on a going concern basis.

The 2025 year-end balance of cash and cash equivalents, restricted cash and marketable securities of US$181.1 million is expected to fund the Company for more than twelve months from the date of this report.

During 2025, the Company's operating cash flows improved strongly compared to 2024, reflecting the continued strength of RUCONEST® revenues, sustained growth of Joenja® (leniolisib), and

increased operational efficiencies. This improvement in underlying cash generation further supports the Group's assessment of its liquidity position.

Following regulatory approvals of Joenja® (leniolisib) and the acquisition of Abliva AB in early 2025, the Company has increased investments in strengthening its commercial function and pipeline development. While this investment initially reduced the overall cash position, they are expected to support long-term revenue growth and operational scalability. The Company expects to make further investments in the acquired pipeline over the coming years, which will temporarily reduce cash resources and affect results in 2026. The Company remains confident in the robustness of RUCONEST® sales, growth and expansion of Joenja® sales and the expansion of its pipeline.

Presently, however, no further assurance can be given on either the timing or size of future profits. In addition, in the event that the Company needs to raise capital by issuing additional shares, shareholders' equity interests may be diluted as to voting power, and their interests as to value will depend on the price at which such issues are made. The Company sees no further need to raise capital to support its current operations, but may take an opportunity to do so in either equity issue or through an expansion of the current convertible debt or to raise debt, or through a combination of such instruments, to support an acquisition or in-licensing of additional assets, if appropriate terms can be obtained that are in the best interests of shareholders.

Macro-economic developments like pressure on energy supply, increased inflation and higher interest rates have an impact on Pharming and are managed by price increases on our products in line with CPI development and fixed interest on our convertible bond.

Overall, based on the outcome of this assessment, Pharming's 2025 financial statements have been prepared on the basis of a going concern assumption and no material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern. Notwithstanding their belief and confidence that Pharming will be able to continue as a going concern, the Executive Directors and Officers emphasize that the actual cash flows may potentially ultimately deviate up or down from our projections due to various reasons. In the absence of unforeseen significant events outside of our control such as banning of the product from sale in a major market, the Executive Directors and Officers believe that the Company will have more than sufficient resources to meet all obligations within the next 12 months after the date of these financial statements.

4. Business combinations and acquisitions of non-controlling interests

Acquisition of Abliva AB

On February 14, 2025, the Group acquired 88.9% of the voting shares of Abliva AB ("Abliva"), a listed company based in Sweden. Abliva is a biotechnology company, based in Lund, Sweden, focused on developing medicines for the treatment of mitochondrial disease. Pharming acquired Abliva to further strengthen the clinical pipeline, aligning with our vision to become a leading global rare disease company. By June 18, 2025, Pharming obtained 100% of the shares of Abliva. This disclosure provides the financial information relating to the business combination.

At initial recognition, Pharming elected to measure the non-controlling interests in Abliva as a proportionate share of the identifiable assets.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Abliva as at the date of acquisition were:

Amounts in US$ '000	Fair value recognized on acquisition
Intangible assets: KL1333	61,114
Intangible assets: Software	75
Deferred tax assets	12,397
Investments in equity instruments designated at FVTOCI	210
Trade and other receivables	1,591
Cash and cash equivalents	2,610
Assets	**77,997**
Deferred tax liability	(12,397)
Trade and other payables	(1,244)
Liabilities	**(13,641)**
Total identifiable net assets at fair value	**64,356**
Non-controlling interest	(7,285)
Goodwill arising on acquisition	2,903
Purchase consideration transferred	**59,974**

Abliva's lead product, KL1333, now known as napazimone (KL1333), a regulator of the essential co-enzymes NAD^+ and NADH, is in a pivotal clinical study (FALCON) in adult patients with genetically confirmed primary mitochondrial disease (PMD) with mitochondrial DNA (mtDNA) mutations who experience consistent, debilitating fatigue and muscle weakness (myopathy), and reduced life expectancy. Over 30,000 patients diagnosed with mtDNA mitochondrial disease would be potentially addressable by napazimone (KL1333) in the U.S., EU4 (France, Germany, Italy, Spain) and the UK. Napazimone (KL1333) has shown positive clinical effects in a proof-of-concept Phase 1b study, and a pre-planned interim analysis of the ongoing pivotal FALCON trial demonstrated promising differences over placebo in both alternate primary efficacy endpoints. Napazimone (KL1333) has received Fast Track designation in the U.S. and Orphan Drug Designation for the treatment of PMD in the U.S. and EU.

The KL1333 license agreement was identified as the key intangible asset acquired in the Abliva transaction, reflecting its status as the primary source of future economic benefits. The fair value of this asset was determined using a probability-adjusted discounted cash flow approach (MEEM), incorporating long-term revenue expectations, milestone and royalty obligations. Identified intangible asset value of Abliva resides in the exclusive global commercialization rights embedded in the license agreement. This analysis resulted in a fair value of US$61.1 million at the acquisition date.

As part of the acquisition of Abliva, Pharming obtained 84,444 shares in Isomerase Therapeutics Limited (“Isomerase”), representing approximately 10% of its outstanding shares. Isomerase is a privately held U.K.-based synthetic biology firm and a former strategic partner of Abliva AB. The investment was initially measured at fair value and subsequently sold to Isomerase in November 2025 for GBP 168,888 (US$0.2 million) within the IFRS 3 measurement period.

Trade and other receivables primarily comprise short-term investments of surplus cash, placed in interest-bearing deposits with original maturities of three to nine months. These deposits matured in February 2025, at which point the funds were received as cash.

The deferred tax liability mainly arises from the recognition of the intangible asset napazimone (KL1333), reflecting the associated tax effects.

The goodwill recognized as a result of the business combination represents the optionality for Pharming to resume research projects outside of KL1333, as well as the fair value of the acquired workforce, which does not qualify for separate recognition on the balance sheet.

Loss before tax generated by Abliva and included in the consolidated Statement of Income from February 14, 2025 to December 31, 2025 was US$26.9 million. If the combination had taken place at the beginning of the year, the profit before tax for the Group would have been US$27.4 million. Abliva did not contribute any revenue during 2025.

Acquisition of remaining interest in Abliva

In the period from February 14, 2025, to June 18, 2025, Pharming acquired the remaining 11.1% interest in the voting shares of Abliva, thereby increasing its ownership to 100%. A cash consideration of US$7.9 million was paid to the non-controlling shareholders. Upon acquisition, the accumulated other comprehensive income from currency translation differences (US$0.1 million) attributed to the non-controlling interest was reclassified to other reserves. The excess of the cash consideration paid over the carrying amount of the acquired non-controlling interest after reclassifying the accumulated other comprehensive income, an amount of US$0.2 million, has been recognized directly in accumulated deficit in equity. Following the acquisition of the remaining interest in Abliva, the total consideration in cash amounts to US$68.0 million in 2025 based on the price of SEK 0.45 paid per share.

Analysis of cash flows on acquisition

Amounts in US$ ‘000	
Acquisition of a subsidiary (included in cash flows from investing activities)	(60,087)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	2,611
Acquisition-related costs of the acquisition (included in cash flows from operating activities)	(11,263)
Acquisition of non-controlling interests (included in cash flows from financing activities)	(7,876)
Net cash flow on acquisition	**(76,615)**

Acquisition-related costs of US$10.3 million were expensed in the period and included within other operating costs in the Consolidated Statement of Income. Moreover, acquisition-related costs of US$1.0 million were expensed in the year ended December 31, 2024 related to this acquisition.

5. Segment information

Operating segments are components of the Company that engage in business activities from which it may incur expenses, for which discrete financial information is available and whose operating results are evaluated regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance. The Executive Members of the Board of Directors are considered the CODM.

CODM reviews the Company's results under four operating segments based on a combination of the products that the Company has launched - RUCONEST® and Joenja®, and the main geographies where sales are consummated - focused on the U.S. and reporting, in aggregate, Europe and Rest of the World ("RoW"). The four operating segments correspond to each of its four reportable segments for financial reporting purposes.

The CODM reviews revenues and gross profit to assess the performance of their operating segments. The CODM does not review financial information on a segmental basis below gross profit, and balance sheet information is not allocated to the company's reportable segments. There are no intersegment sales.

Total revenues and gross profit per each operating and reportable segment for the period ended for the years ended December 31, 2025 and 2024 are:

Amounts in US$ '000	2025			2024		
	RUCONEST®	Joenja®	Total	RUCONEST®	Joenja®	Total
Revenues:						
US	311,672	50,074	**361,746**	246,649	40,500	287,149
Europe and RoW	6,249	8,139	**14,388**	5,590	4,461	10,051
Total revenues	**317,921**	**58,213**	**376,134**	**252,239**	**44,961**	**297,200**
Gross profit:						
US	284,542	39,775	**324,317**	221,093	35,136	256,229
Europe and RoW	(926)	7,243	**6,317**	1,126	4,446	5,572
Total gross profit	**283,616**	**47,018**	**330,634**	**222,219**	**39,582**	**261,801**

Non-current assets (excluding deferred tax assets) with a carrying amount of US$163.9 million are located in The Netherlands and US$5.6 million are located outside The Netherlands.

6. Revenues

The increase in revenues was driven by higher sales of RUCONEST® in the U.S. market (US$311.7 million in 2025 compared to US$246.6 million in 2024) and higher sales of Joenja® worldwide (US$58.2 million in 2025 compared to US$45.0 million in 2024). Revenues of RUCONEST® in Europe and Rest of World amounted to US$6.2 million in 2025 compared to US$5.6 million in 2024. Revenues of Joenja® in Europe and Rest of World amounted to US$8.1 million in 2025 compared to US$4.5 million in 2024. These revenues include UK commercial sales and revenue from Named Patient Programs.

Two U.S. customers represent approximately US$290.9 million (77%) of our net revenues in 2025, per customer US$156.2 million and US$134.7 million respectively. In 2024 these two, U.S. customers represent approximately US$227.7 million (77%) of our net revenues, per customer US$134.8 million and US$92.9 million respectively. These customers are specialty pharmacies that are specialized in distribution of pharmaceuticals in our and competitors' disease area and distribute our product.

7. Other income

Other income related to the following:

Amounts in US$ '000	2025	2024
Gain on lease termination	3,877	—
Grants	1,076	2,106
Employee retention credit refunds	1,341	—
Other	234	71
Total	**6,528**	**2,177**

The gain on lease termination relates to the early termination of the DSP facility lease at Pivot Park in Oss. Further information on the related right-of-use assets and lease arrangements is disclosed in note 13. Right-of-use assets.

The received grants amounted to US$1.1 million in 2025 (US$2.1 million in 2024). The grants are annual payroll-tax reimbursement granted by the Dutch and French governments for research and development activities actually conducted by the Company in those countries.

In 2025, the Company received refunds of US$1.4 million from the U.S. Treasury under the Employee Retention Credit (ERC) program. These refunds relate to claims filed for the 2020 tax year.

The remaining other income of US$0.2 million consists primarily out of a regulatory milestone receipt for a clinical trial permit.

8. Expenses by nature

Costs of sales

Costs of sales in 2025 and 2024 were as follows:

Amounts in US$ '000	2025	2024
Cost of inventories recognized as expenses	(31,972)	(25,645)
Royalty fees	(5,793)	(4,907)
Sales milestone	(5,000)	—
Obsolete inventory impairments	(2,735)	(4,847)
Total	**(45,500)**	**(35,399)**

Pharming expensed royalty fees and sales milestones to Novartis on Joenja® sales, amounting to US$10.8 million in 2025 (2024: US$4.9 million). See note 27. Commitments and contingencies for further information on the royalty fees to Novartis.

The sales milestone relates to achieving first-time annual net sales of US$50.0 million for Joenja®. After a sales threshold has been reached for the first year, the milestone payment for that threshold does not recur, see note 27. Commitments and contingencies.

Obsolete inventory impairment stems from the valuation of the inventories against lower net realizable value and mainly relates to products no longer eligible for commercial sales. Impairments related to inventories designated for commercial activities amounted to a charge of US$2.7 million in 2025 (2024: US$4.8 million).

Other operating costs

Other operating costs in 2025 and 2024 were as follows:

Amounts in US$ '000	2025	2024
Employee costs	(127,359)	(104,186)
Amortization costs intangible assets	(6,541)	(6,273)
Depreciation Property, plant and equipment and right of use assets	(4,184)	(4,769)
Impairment losses property, plant and equipment and right of use assets	(491)	(5,027)
Direct Operating Expenses	(143,199)	(123,080)
Other indirect costs	(29,546)	(29,264)
Total other operating costs	**(311,320)**	**(272,599)**
As percentage of net sales	*(83)%*	*(92)%*

Costs of research and development

Research and development costs are specified as follows:

Amounts in US$ '000	2025	2024
Employee costs	(34,853)	(29,869)
Amortization costs intangible assets	(256)	(232)
Depreciation Property, plant and equipment and right of use assets	(1,260)	(1,449)
Direct Operating Expenses	(59,381)	(47,232)
Other indirect research and development costs	(4,617)	(4,365)
Total research and development costs	**(100,367)**	**(83,147)**
As percentage of net sales	*(27)%*	*(28)%*

Operating expenses for research and development activities increased to US$100.4 million in 2025 from US$83.1 million in 2024. The increase mainly reflects higher expenditures related to investment in the napazimone (KL1333) program following its acquisition, including integration of development activities and preparation for further clinical advancement.

Costs of general and administrative activities

General and administrative costs are specified as follows:

Amounts in US$ '000	2025	2024
Employee costs	(36,218)	(25,526)
Amortization costs intangible assets	(634)	(617)
Depreciation property, plant and equipment and right of use assets	(2,447)	(2,926)
Impairment losses property, plant and equipment and right of use assets	(491)	(5,027)
Direct Operating Expenses	(21,893)	(18,790)
Other indirect general and administrative costs	(18,274)	(17,764)
Total general and administrative costs	**(79,958)**	**(70,650)**
As percentage of net sales	*(21)%*	*(24)%*

Operating expenses for general and administrative activities increased to US$80.0 million in 2025 from US$70.7 million in 2024. Employee costs increased primarily due to severance expenses related to the acquired Abliva AB, restructuring activities, higher share-based compensation, and a higher average number of full-time equivalents (FTEs) for the full year.

Direct operating expenses increased primarily due to costs associated with the public cash offer in 2025 to acquire all issued and outstanding shares of Abliva AB.

Furthermore, in 2025 an additional impairment loss of US$0.5 million was recognized in connection with the remaining right-of-use assets related to the cancelled downstream production capacity at Pivot Park in Oss, the Netherlands, see note 13. Right-of-use assets for further details.

Costs of marketing and sales activities

Marketing and sales costs are specified as follows:

Amounts in US$ '000	2025	2024
Employee costs	(56,288)	(48,791)
Amortization costs intangible assets	(5,651)	(5,424)
Depreciation property, plant and equipment and right of use assets	(477)	(394)
Direct Operating Expenses	(61,925)	(57,058)
Other indirect marketing and sales costs	(6,655)	(7,135)
Total marketing and sales costs	**(130,995)**	**(118,802)**
As percentage of net sales	*(35)%*	*(40)%*

Operating expenses for marketing and sales increased in 2025 to US$131.0 million from US$118.8 million in 2024. Employee costs increased primarily due to bonuses tied to sales performance.

Direct operating expenses increased, mainly due to the further expansion of the commercial organization and infrastructure in the U.S., Europe and other key global launch markets, in view of the anticipated approval by other regulatory authorities in 2026 and beyond.

Employee benefits

Amounts in US$ '000	2025	2024
Salaries	(98,526)	(80,026)
Social security costs	(10,484)	(9,278)
Pension costs	(4,582)	(3,629)
Share-based compensation	(13,767)	(11,253)
Total	**(127,359)**	**(104,186)**

Salaries include holiday allowances and cash bonuses for staff.

Employee benefits are included in:

Amounts in US$ '000	2025	2024
Research and development	(34,853)	(29,869)
General and administrative	(36,218)	(25,526)
Marketing and sales	(56,288)	(48,791)
Total	**(127,359)**	**(104,186)**

The number of employees

Average full time equivalent	2025	2024
Research and development	119	129
General and administrative	139	125
Marketing and sales	111	109
Production	40	41
Total	**409**	**404**

The average number of full time equivalents (FTEs) working outside the Netherlands was 195 (2024: 196). The increase of the total number of FTEs was in line with the overall business growth across the Company. Employee benefits of production related FTEs have been included in the value of inventories.

Employee benefits are charged to research and development costs, general and administrative costs, or marketing and sales costs based on the nature of the services provided by each employee.

Depreciation and amortization charges

Amounts in US$ '000	notes	2025	2024
Property, plant and equipment	12	(1,210)	(1,395)
Intangible assets	11	(6,541)	(6,273)
Right of use assets	13	(3,464)	(3,374)
Total		**(11,216)**	**(11,042)**

Independent auditor's fees

Both the 2025 and the 2024 audit were performed by Deloitte Accountants B.V.

Amounts in US$ '000	2025	2024
Audit Fees	(1,906)	(1,690)
Audit Related Fees	—	—
Tax advisory	—	—
Total	**(1,906)**	**(1,690)**

9. Other finance income and expenses

Amounts in US$ '000	2025	2024
Interest income	2,176	4,858
Foreign currency gains	—	1,985
Other finance income	**2,176**	**6,843**
Amortization and interest on convertible bonds	(9,685)	(7,699)
Fees and expenses on repayment and issuance convertible bonds	—	(1,151)
Interest leases	(1,034)	(1,038)
Foreign currency losses	(7,225)	—
Other finance expenses	(196)	(56)
Other finance expenses	**(18,140)**	**(9,944)**
Total other finance income and expenses	**(15,964)**	**(3,101)**

Interest income

Since 2023, the Company has used excess cash to invest in euro denominated readily convertible S&P AA1-rated government treasury certificates with a maturity of six months or less from the date of acquisition. Since 2024, excess cash has also been used to invest in money market funds. In 2025, interest income decreased compared to 2024, primarily due to a lower level of excess cash available for investments, as well as a decline in prevailing market interest rates. Reference is made to note 15. Marketable securities for more information on these investments.

Foreign currency results

Foreign currency results primarily arise from the revaluation of intercompany balances and transactions denominated in foreign currencies. The losses in 2025 mainly relate to currency differences arising within the Group where the functional currency of the entity differs from the currency in which intercompany balances and transactions are denominated.

Expenses on convertible bonds

Amortization and interest on convertible bonds in 2025 and 2024 relate to the amortized costs and coupons on the convertible bonds as disclosed in note 20. Convertible bonds. The amortized costs are calculated at the effective rate of interest, which takes account of any equity component on recognition such as early repayment options. The fees and expenses on repayment and issuance of the convertible bonds relate to the premium paid over the current carrying amount upon repayment and to the direct costs allocated to the conversion option as disclosed in note 20. Convertible bonds.

10. Income tax

Income taxes on ordinary activities

The following table specifies the current and deferred tax components of income taxes in the income statement:

Amounts in US$ '000	2025	2024
Income tax credit (expense)		
Current tax		
Current tax on profit or loss for the year	(7,692)	(9,287)
Adjustments for current tax of prior periods	(765)	315
Total current tax expense	**(8,457)**	**(8,972)**
Deferred income tax		
Deferred tax on profit or loss for the year	(2,187)	7,469
Adjustments for deferred tax of prior periods	334	(1,846)
Total deferred tax credit (expense)	**(1,853)**	**5,623**
Income tax credit (expense)	**(10,310)**	**(3,349)**

Effective income tax rate

Pharming Group's effective rate in its consolidated income statement differed from the Netherlands' statutory tax rate of 25.8%. The following table reconciles the tax credit (expense) at the statutory rate to actual credit (expense) for the year in the consolidated income statement:

Amounts in US$ '000	2025	ETR %	2024	ETR %
Reconciliation of tax charge				
Profit, (loss) before taxation	12,847		(8,492)	
Profit/(loss) multiplied by				
standard rate of tax in The Netherlands	(3,315)	25.8 %	2,190	—
Effects of:				
Tax rate in other jurisdictions	255	(2.0)%	999	11.8 %
Non-taxable income	1,384	(10.8)%	657	7.7 %
Non deductible expenses	(2,081)	16.2 %	(1,527)	(18.0)%
Share based payments	(1,490)	11.6 %	(2,510)	(29.6)%
Adjustments of prior periods	(426)	3.3 %	(1,531)	(18.0)%
Change in statutory applicable tax rate	—	— %	—	— %
(De)recognition of deferred tax assets	(3,613)	28.1 %	(333)	(3.9)%
U.S. State taxes and other	(1,024)	8.0 %	(1,294)	(15.2)%
Income tax credit (expense) for the year	**(10,310)**	**80.3 %**	**(3,349)**	**(39.4)%**

Factors affecting current and future tax charges

The primary difference between the nominal and the effective tax for 2025 stems from U.S. profits being taxed at a combined Federal and State tax rate of 29.4%, while a portion of the losses in the Netherlands does not result in an offsetting tax credit due to being partially attributable to non-deductible expenses.

Deferred tax

The balance of the net deferred tax assets/(liabilities) is therefore shown below:

Amounts in US$ '000	2025	2024
Total deferred tax assets	41,498	41,923
Total deferred tax liabilities	(10,481)	(11,379)
Total net deferred tax assets (liabilities)	**31,017**	**30,544**

The deferred tax assets and liabilities are offset to the extent there is a legally enforceable right to set off current tax assets against current tax liabilities and to the extent the intention exists to settle on a net basis or realize the asset and settle the liability simultaneously.

The significant components and annual movements of deferred income tax assets as of December 31, 2025, and December 31, 2024, are as follows:

Amounts in US$ '000	2025	2024
Intangible assets	727	3,289
Accruals	4,759	4,015
Lease liabilities	3,492	6,292
Unrealized profit in inventory	13,472	10,498
Other	8,780	5,923
Tax losses	10,268	11,906
Total deferred tax assets	**41,498**	**41,923**

Amounts in US$ '000	Intangible assets	Lease liabilities	Accruals	Unrealized profit in inventory	Other	Tax losses	Total
At January 1, 2024	**2,183**	**7,063**	**4,151**	**8,453**	**3,484**	**12,529**	**37,863**
(Charged)/credited							
- to profit or loss	1,107	(371)	(133)	1,811	3,076	(416)	5,074
- other movement	—	—	—	—	—	—	—
- to accumulated deficit	—	—	—	847	(626)	540	761
- currency translation	(1)	(400)	(3)	(613)	(11)	(747)	(1,775)
At December 31, 2024	**3,289**	**6,292**	**4,015**	**10,498**	**5,923**	**11,906**	**41,923**
(Charged)/credited							
- to profit or loss	10,724	(3,478)	743	3,247	1,432	(16,396)	(3,728)
- other movement	(12,240)	—	(8)	—	8	12,240	—
- to accumulated deficit	—	—	—	(1,718)	1,417	—	(301)
- currency translation	(1,046)	678	9	1,445	—	2,518	3,604
At December 31, 2025	**727**	**3,492**	**4,759**	**13,472**	**8,780**	**10,268**	**41,498**

Deferred tax assets relate primarily to historical net operating losses in the Netherlands and Sweden. Under current tax legislation, tax losses in both jurisdictions may be carried forward indefinitely and do not expire.

Management has assessed the recoverability of these deferred tax assets based on the Group's latest budget for 2026 and its long-range forecasts for the subsequent five-year period. These forecasts indicate that the Group expects to generate sufficient taxable profits within the next three years to utilize the available tax loss carry forwards. Accordingly, management concludes that it remains probable that the deferred tax assets will be realized and that continued recognition is appropriate.

Accruals represent deferred tax assets recognized for temporary differences between the carrying amount and tax bases of accrued liabilities in the U.S.

The unused tax losses were incurred by the Dutch fiscal unity and Pharming Healthcare.

The calculation of the deferred tax asset is as shown below:

Amounts in US$ '000	2025	2024
Net Operating Losses - Netherlands		
Net Operating Losses at year-end	37,856	46,143
Portion selected for deferred tax asset	37,856	46,143
Tax rates used:		
2025 and later : 25,8% (2024: 25,8%)	9,767	11,905
Total tax effect Netherlands	**9,767**	**11,905**
Net Operating Losses - Sweden		
Net Operating Losses at year-end	52,468	—
Portion selected for deferred tax asset	2,429	—
Tax rates used:		
2025 and later : 20,6% (2024: N/A)	500	—
Total tax effect Sweden	**500**	**—**
Net Operating Losses - U.S.		
Net Operating Losses at year-end	17	17
Portion selected for deferred tax asset	17	17
Tax rate used:		
2025 and later: 7.26% (2024: 7.26%)	1	1
Total tax effect U.S.	**1**	**1**
Tax effect Netherlands - losses deferred	9,767	11,905
Tax effect Sweden - losses deferred	500	—
Tax effect U.S. - losses deferred	1	1
Total deferred tax asset	**10,268**	**11,906**

The current part of the net deferred tax assets is US$17.2 million (2024: US$11.9 million).

The component and annual movement of deferred income tax liabilities as of December 31, 2025, and December 31, 2024, are as follows:

Amounts in US$ '000	2025	2024
Tangible fixed assets	(3,266)	(2,916)
Convertible bonds	(4,652)	(5,067)
Other liabilities	(2,563)	(3,396)
Total deferred tax liabilities	**(10,481)**	**(11,379)**

Amounts in US$ '000	Tangible fixed assets	Convertible bonds	Other liabilities	Total
At January 1, 2024	**(4,865)**	**—**	**(3,237)**	**(8,102)**
(Charged)/credited				
- to profit or loss	1,749	(1,038)	(160)	551
- to other comprehensive income	—	(4,251)	—	(4,251)
- currency translation	200	222	1	423
At December 31, 2024	**(2,916)**	**(5,067)**	**(3,396)**	**(11,379)**
(Charged)/credited				
- to profit or loss	4	1,040	835	1,879
- currency translation	(354)	(625)	(2)	(981)
At December 31, 2025	**(3,266)**	**(4,652)**	**(2,563)**	**(10,481)**

11. Intangible assets

Amounts in US$ '000	RUCONEST® for HAE (EU)	RUCONEST® licenses	Joenja® license	KL1333 license	Goodwill	Software	Total
At cost	581	69,709	24,447	—	—	4,772	99,509
Accumulated amortization	(581)	(24,437)	(1,326)	—	—	(1,898)	(28,242)
Carrying value at January 1, 2024	**—**	**45,272**	**23,121**	**—**	**—**	**2,874**	**71,267**
				—			
Amortization charges	—	(3,686)	(1,735)	—	—	(852)	(6,273)
Assets acquired	—	—	—	—	—	6	6
Divestments - cost	(570)	—	—	—	—	—	(570)
Divestment - accumulated amortization	570	—	—	—	—	—	570
Currency translation - cost	(11)	(4,131)	(1,449)	—	—	(283)	(5,874)
Currency translation - amortization	11	1,603	151	—	—	148	1,913
Movement 2024	**—**	**(6,214)**	**(3,033)**	**—**	**—**	**(981)**	**(10,228)**
At cost	—	65,578	22,998	—	—	4,495	93,071
Accumulated amortization	—	(26,520)	(2,910)	—	—	(2,602)	(32,032)
Carrying value at January 1, 2025	**—**	**39,058**	**20,088**	**—**	**—**	**1,893**	**61,039**
Amortization charges	—	(3,839)	(1,809)	—	—	(893)	(6,541)
Assets acquired	—	—	—	61,114	2,903	87	64,104
Currency translation - cost	—	8,636	3,029	8,745	416	592	21,418
Currency translation - amortization	—	(3,647)	(456)	—	—	(379)	(4,482)
Movement 2025	**—**	**1,150**	**764**	**69,859**	**3,319**	**(593)**	**74,499**
At cost	—	74,214	26,027	69,859	3,319	5,174	178,593
Accumulated amortization	—	(34,006)	(5,175)	—	—	(3,874)	(43,055)
Carrying value at December 31, 2025	**—**	**40,208**	**20,852**	**69,859**	**3,319**	**1,300**	**135,538**

Category	Description	Amortization period	
		Total	Remaining
RUCONEST® for HAE (EU)	RUCONEST® for HAE (EU) development costs	10 years	Fully amortized
RUCONEST® license	RUCONEST® license for HAE (US)	20 years	11 years
RUCONEST® license	RUCONEST® license for HAE (EU)	7 years	1 year
Joenja® license	Joenja® license for APDS	14 years	11 years
KL1333 license	KL1333 license for mitochondrial disease	N/A	N/A
Goodwill	Goodwill on acquisition Abliva AB	N/A	N/A
Software	Software development costs	3 to 5 years	1 to 5 years

RUCONEST® for HAE (EU)

The Company has capitalized development costs in relation to RUCONEST® for HAE in the European Union. Following market launch of the product in 2010 the amortization of the asset started, and no further development costs have been capitalized in respect to this item since then. These development costs are fully amortized since the end of 2021.

RUCONEST® license

The RUCONEST® license relates to the RUCONEST® acquisition of all North American commercialization rights from Bausch Health in 2016 and the RUCONEST® acquisition of all European commercialization and distribution rights from Swedish Orphan International AB ("Sobi") in 2020. The remaining useful life and residual value of the RUCONEST® license for HAE (EU) were reassessed after the strategic decision to withdraw the product from the non-US markets.

Joenja® license

In August 2019, Pharming entered into a development collaboration and license agreement with Novartis to develop and commercialize leniolisib, a small molecule phosphoinositide 3-kinase delta (PI3Kδ) inhibitor being developed by Novartis to treat patients with activated phosphoinositide 3-kinase delta syndrome (APDS). Following FDA approval per March 24, 2023, the amortization of the Joenja® license commenced. Since 2023, no additional development costs were capitalized.

Napazimone (KL1333) license

Following the acquisition of Abliva AB in February 2025, Pharming obtained the exclusive global rights (excluding South Korea and Japan) to develop and commercialize napazimone (KL1333) under a license agreement. Napazimone (KL1333) is a novel oral therapy targeting mitochondrial DNA-driven primary mitochondrial diseases and is currently in a pivotal clinical trial, for which the Independent Data Monitoring Committee (IDMC) supported continuation of the FALCON study without and modifications. The product has received Fast Track designation in the U.S. and Orphan Drug Designation in both the U.S. and EU. As napazimone (KL1333) is still in development and not yet approved for sale, the intangible asset is not amortized. The asset is tested for impairment annually or when indicators arise, in accordance with IAS 36. Amortization will commence once the product is available for use, which is expected upon regulatory approval and market launch.

Goodwill

Goodwill arose from the acquisition of Abliva AB, as further described in note 4. Business Combinations and acquisitions of non-controlling interests. The goodwill represents the expected future economic benefits arising from assets that are not individually identified and separately recognized. Goodwill is recognized as an intangible asset with an indefinite useful life and is not amortized, but is tested for impairment annually or more frequently if indicators of impairment arise, in accordance with IAS 36.

Software

Amortization of software is mainly related to the ERP system SAP S/4HANA.

12. Property, plant and equipment

Amounts in US$ '000	Operational facilities	Leasehold Improvement	Machinery and equipment	Other	Asset under construction	Total
At cost	4,913	5,546	9,660	5,131	179	25,429
Accumulated depreciation	(3,388)	(2,487)	(6,386)	(3,479)	—	(15,740)
Carrying value at January 1, 2024	**1,525**	**3,059**	**3,274**	**1,652**	**179**	**9,689**
Investments	—	197	219	230	144	790
Internal transfer - cost	—	—	—	175	(175)	—
Depreciation charges	(355)	(266)	(756)	(900)	—	(2,277)
Currency translation - cost	(291)	(311)	(582)	(152)	(3)	(1,339)
Currency translation - accumulated depreciation	216	148	410	115	—	889
Movement 2024	**(430)**	**(232)**	**(709)**	**(532)**	**(34)**	**(1,937)**
At cost	4,622	5,432	9,297	5,384	145	24,880
Accumulated depreciation	(3,527)	(2,605)	(6,732)	(4,264)	—	(17,128)
Carrying value at January 1, 2025	**1,095**	**2,827**	**2,565**	**1,120**	**145**	**7,752**
Investments	—	173	188	388	—	749
Internal transfer - cost	—	144	—	—	(145)	(1)
Divestments	—	—	(143)	—	—	(143)
Depreciation charges	(360)	(333)	(659)	(706)	—	(2,058)
Depreciation of disinvestment	—	—	96	—	—	96
Currency translation - cost	609	654	1,226	343	—	2,832
Currency translation - accumulated depreciation	(479)	(333)	(909)	(273)	—	(1,994)
Movement 2025	**(230)**	**305**	**(201)**	**(248)**	**(145)**	**(519)**
At cost	5,231	6,403	10,568	6,115	—	28,317
Accumulated depreciation	(4,366)	(3,271)	(8,204)	(5,243)	—	(21,084)
Carrying value at December 31, 2025	**865**	**3,132**	**2,364**	**872**	**—**	**7,233**

Category	Depreciation period
Operational facilities	10-20 years
Leasehold improvements	5-15 years
Machinery and equipment	5-10 years
Other property, plant & equipment	5-10 years

In 2025, the Company had capital expenditures of US$0.7 million (2024: US$0.8 million), mainly related to new machinery and equipment.

Depreciation charges on production related property, plant and equipment of US$0.7 million in 2025 (2024: US$0.8 million) have been included in the value of inventories and an amount of US$1.4 million of the total 2025 depreciation costs has been charged to the statement of income (2024: US$1.5 million).

13. Right-of-use assets

This note provides information for leases where the Group is a lessee.
The balance sheet shows the following amounts relating to leases:

Amounts in US$ '000	Buildings	Cars	**Total**
At cost	30,959	4,009	34,968
Accumulated depreciation	(9,311)	(1,880)	(11,191)
Carrying value at January 1, 2024	**21,648**	**2,129**	**23,777**
Additions	—	2,395	2,395
Remeasurement	338	—	338
Divestments	(305)	(1,694)	(1,999)
Depreciation charges	(2,627)	(1,280)	(3,907)
Depreciation of disinvestment	186	1,515	1,701
Impairment	(5,027)	—	(5,027)
Currency translation - cost	(1,431)	(41)	(1,472)
Currency translation - accumulated depreciation	557	19	576
Movement 2024	**(8,309)**	**914**	**(7,395)**
At cost	24,534	4,669	29,203
Accumulated depreciation	(11,195)	(1,626)	(12,821)
Carrying value at January 1, 2025	**13,339**	**3,043**	**16,382**
Additions	—	551	551
Remeasurement	2,393	—	2,393
Divestments	(1,367)	(1,174)	(2,541)
Depreciation charges	(2,345)	(1,194)	(3,540)
Depreciation of disinvestment	1,367	1,009	2,376
Impairment	(491)	—	(491)
Currency translation - cost	2,877	91	2,968
Currency translation - accumulated depreciation	(1,324)	(37)	(1,360)
Movement 2025	**1,110**	**(754)**	**356**
At cost	27,946	4,136	32,082
Accumulated depreciation	(13,497)	(1,847)	(15,344)
Carrying value at December 31, 2025	**14,449**	**2,289**	**16,738**

During 2022, the lease for the DSP facility at Pivot Park in Oss, the Netherlands commenced and resulted in an investment of US$14.6 million. The intention for this facility was primarily to set up an independent production line, which was cancelled and the building remained empty and unused. Since 2024, Pharming has entered into negotiations to terminate this lease. Consequently, the Company fully impaired the related right-of-use asset. Impairment charges totaled US$13.6 million over the period 2022 to 2024. Following an inflation-related increase in lease payments in 2025, the right-of-use asset was remeasured upward by US$0.5 million and immediately impaired, given the continued unused status of the facility. At the end of 2025, the Company entered into a termination agreement to cancel the lease related to the respective asset. As the associated right-of-use asset had previously been fully impaired, its carrying amount at the time of termination was nil. The termination agreement resulted in a book gain of US$3.9 million, which has been recognized in the consolidated statement of income under 'Other income'.

The building remeasurement is related to adjustments in the existing right-of-use assets to account for inflation-related higher lease payments.

The Company applies for the recognition exemption for short-term leases and lease of low-value assets. The respective lease payments are recorded in the consolidated statement of income and are immaterial to the financial statements.

Amounts recognized in the statement of income

Depreciation charges on production related right-of-use assets of US$0.6 million in 2025 (2024: US$0.5 million) have been included in the value of inventories and an amount of US$3.0 million of the total 2025 depreciation costs has been charged to the statement of income (2024: US$3.4 million).

The statement of income shows the following amounts relating to leases:

Amounts in US$ '000	2025	2024
Depreciation right of use buildings	(1,779)	(2,094)
Impairment right of use buildings	(491)	(5,027)
Depreciation right of use cars	(1,194)	(1,280)
Interest expense (note 9)	(1,034)	(1,038)
Gain on termination of lease agreement (note 7)	3,877	—
Total	**(621)**	**(9,439)**

Lease charges

The non-cancellable leases at December 31, 2025, have remaining terms of between one and twelve years and generally include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The expected lease charges after the end of the reporting year have been disclosed in note 28. Financial risk management. Allocations of the lease charges to cost of sales or general and administrative expenses have been based on the nature of the asset in use.

14. Investments

14.1 Investments accounted for using the equity method

The investment in BioConnection group (BioConnection) provides the Company with significant influence over BioConnection, and as such has been treated as an associate of the Group.

As at December 31, 2025, the asset relates to an investment in the ordinary shares of BioConnection Investments B.V. During the second quarter of 2022, Pharming entered into a share purchase agreement, following receipt of an offer for all shares in BioConnection by Gimv, a European investment company listed on Euronext Brussels. The existing shareholders (including Pharming) reached agreement with Gimv on the sale of all issued and outstanding shares to a new holding company (BioConnection Investments B.V.) incorporated by Gimv, followed by a partial re-investment by existing shareholders of the purchase price in the share capital of BioConnection Investments B.V. The re-investment relates to the purchase of ordinary shares and a preference share. The transaction diluted Pharming's stake in this investment from 43.85% in 2021 to 23.60% in 2022. At December 31, 2025, Pharming's stake in this investment is 23.00%.

The Company made an assessment on the accounting treatment of the agreement and concluded that the sale of the BioConnection ordinary shares and purchase of the BioConnection Investments B.V. ordinary shares shall be considered as a dilution of an existing equity stake in an investment accounted for using the equity method. Hence Pharming recognized the dilution of its equity stake as a reduction of the carrying amount of the investment accounted for using the equity method. The preference share is valued as an investment in debt instruments designated as at fair value with changes through profit and loss (FVTPL).

Name of entity	Place of business	% of ownership interest 2025	% of ownership interest 2024	Nature of relationship	Measurement method
BioConnection Investments B.V.	Oss, NL	23.00	23.60	Associate	Equity

Amounts in US$ '000	
Carrying value at January 1, 2024	**2,285**
Share in net profit (loss)	(1,131)
Impairment	(629)
Currency translation	(59)
Carrying value at December 31, 2024	**466**
Share in net profit (loss)	623
Contributions	739
Currency translation	116
Carrying value at December 31, 2025	**1,944**

In accordance with IAS 36, the Company reviewed the carrying value of the investment in BioConnection for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In 2024, based on a comprehensive review of the investee's performance, financial position, expected future cash flows and market conditions, the Company determined that an impairment is required. Basis to determine the impairment expense relates to the required fair value calculation for the relating investment in debt instruments designated at FVTPL (the preference share). This calculation relates to a discounted cash flow model for which more details can be found at note 14.2. The Company will continue to monitor the performance of this investee and assess whether additional impairments may be necessary in future periods, depending on changes in circumstances or the performance of the investee.

Financial information of BioConnection Investments B.V. per December 31, 2024, is filed at the Dutch Chamber of Commerce under number 85610658 (www.kvk.nl).

The latest available financial information of BioConnection Investments B.V. as filed at the Dutch Chamber of Commerce, for the year 2024 is as follows (translated from euro to USD using the closing rate 2025 of 1.1713 for balance sheet positions and the average rate over 2025 of 1.1259 for the net result):

Amounts in US$ '000	December 31, 2024
Total assets	61,920
Total equity	49,843
Net result	(8,602)

In the Board of Director's judgment, the investment in BioConnection constitutes an investment in an associated company and is therefore not consolidated, as Pharming has significant influence but does not have control of BioConnection and is embargoed by a shareholders agreement between the shareholders of BioConnection from influencing any activity between the two parties which is in any significant way different from the relationship which existed between the two prior to the investment. In 2025, Pharming's ownership interest decreased from 23.60% to 23.00% following the execution of warrants by other shareholders, despite two capital contributions made by the Company totaling US$0.7 million. The Company continues to hold its own warrants, which remain exercisable in 2026. The movement in the carrying amount of the investment during the year reflects these capital contributions, Pharming's share in the investee's net profit, and currency translation effects.

14.2 Investment in debt instruments designated as at FVTPL

The asset relates to the preference share as obtained as part of the agreement referred to above relating to BioConnection Investments B.V. The Board of Directors made an assessment on the accounting treatment of the preference share obtained. The Board of Directors concluded that the asset should be recognized as a financial asset (debt instrument) measured at initial recognition at fair value, subsequently measured at fair value through profit and loss. The fair value was calculated based on a commonly accepted valuation method, the option pricing model ("OPM"), which considers the share classes as call options on the total shareholders' equity value according to the rights and preferences of each class of equity. The payoff profile of the share classes was analyzed through a portfolio of call options, with the total equity value of a company as the underlying asset of the options and specific terms for each option calibrated to mirror, in aggregate, the payoff profile of the share classes. Relying on the forward-looking Black-Scholes-Merton ("BSM") financial instrument pricing framework, the OPM effectively captures the full range of potential outcomes for the share classes at exit. The OPM takes into consideration the full spectrum of risks in terms of future potential upside or downside but does not require explicit estimates of the possible future outcomes. The BSM model is commonly used to price assets on financial

markets and allows to estimate the theoretical value of a call option, using six key parameters, namely the underlying equity value, strike price, time to maturity, risk free rate, expected volatility of the underlying equity and dividend yield on the underlying equity, which is a Level 3 input in terms of IFRS 13. Significant increases or decreases in equity value, volatility and time to maturity and below assumptions in isolation would result in a significantly lower or higher fair value assessment.

The following assumptions were used in the BSM model to determine the fair value of the asset:

	2025	2024
Expected time to maturity	4 years	4 years
Volatility	50%	50 %
Risk-free interest rate	3.48%	2.60 %

The carrying amount of this investment has changed as follows:

Amounts in US$ '000	2025	2024
January 1	3,767	6,093
Fair value changes	2,345	(2,051)
Currency translation	591	(275)
Balance at December 31	**6,703**	**3,767**

Sensitivity analysis

To illustrate the exposure of the carrying value of the investment to further fair value movements as a result of changes in the economic environment, a sensitivity analysis of fair value has been prepared over the key drivers most affected by the current uncertainties. It is possible that there will be movements in these key inputs after December 31, 2025. While it is unlikely that these reported inputs would move in isolation, these sensitivities have been performed independently to illustrate the impact each individual input has on the reported fair value and they do not represent management's estimate at December 31, 2025.

The main assumptions used in the determination of the equity value and the sensitivity of these assumptions is shown in the table below:

Preference share BioConnection (in million US$)

Revenue level	Fair value	Discount rate	Fair value	EBITDA margin	Fair value
-10.0%	3.4	-0.02	7.6	-5.0%	4.8
-5.0%	5.3	-0.01	7.1	-2.5%	5.9
Base case	6.7	Base case	6.7	Base case	6.7
+5.0%	7.8	+1.0%	6.3	+2.5%	7.5
+10.0%	8.7	+2.0%	6.0	+5.0%	8.1

The impact of the remaining variables on the BSM model are shown in below table:

Preference share BioConnection (in million US$)

Time to maturity	Fair value	Volatility	Fair value
- 2 years	7.6	-10.0%	7.4
- 1 year	7.1	-5.0%	7.0
Base case	6.7	Base Case	6.7
+ 1 year	6.3	+5.0%	6.3
+ 2 years	6.0	+10.0%	6.0

14.3 Investments in equity instruments designated as at Fair Value Through Other Comprehensive Income

Orchard Therapeutics Plc

In 2024, the Company received US$0.2 million from the sale of its 0.54% shareholding in Orchard Therapeutics Plc following its acquisition by Kyowa Kirin Co., Ltd. The research collaboration and licensing agreement with Orchard was terminated, and the OTL-105 program discontinued.

Isomerase

As part of the acquisition of Abliva AB in 2025, the Company obtained an interest in Isomerase. This interest was subsequently disposed of in the same year, resulting in a net position of zero.

Amounts in US$ '000	Carrying amount
Carrying value at January 1, 2024	**2,020**
Fair value adjustments through OCI (pre-tax)	106
Disposal of investment designated as at FVOCI	(2,098)
Currency translation	(28)
Carrying value at December 31, 2024	**—**
Initial recognition from a business combination	220
Disposal of investment designated as at FVOCI	(220)
Carrying value at December 31, 2025	**—**

15. Marketable securities

Amounts in US$ '000	2025	2024
Government treasury certificates	—	50,525
Money market funds	33,796	62,424
Total marketable securities	**33,796**	**112,949**

The decrease in marketable securities reflects a rebalancing to increase immediately available liquidity following the Abliva acquisition, supporting integration activities and the expansion of commercial activities in 2025.

Government treasury certificates, denominated in euros, are readily convertible, carry an S&P AA1 rating, and have a maturity of six months or less from the acquisition date. These certificates are classified as held-to-maturity and measured at amortized costs. We have considered the expected credit loss and recognized no impairment losses, due to the AA1 credit ratings. Reference is made to note 28. Financial risk management showing the difference between the carrying amount and the fair value. Since 2024, the Company has also invested in SEC Rule 2a-7 compliant institutional money market funds, which offer enhanced financial flexibility.

The carrying value of the marketable securities include accrued interest and dividends of US$0.1 million in 2025 (2024: US$0.4 million).

16. Restricted cash, cash and cash equivalents

Amounts in US$ '000	2025	2024
Restricted cash (non-current)	1,227	1,505
Restricted cash (current)	761	—
Cash and cash equivalents	145,305	54,944
Total restricted cash, cash and cash equivalents	**147,293**	**56,449**

Cash is free at disposal of the Company, except for restricted cash, which amounts to US$2.0 million in 2025 (2024: US$1.5 million). Restricted cash includes deposits for rent.

For purposes of the cash flow statement, restricted cash is not considered as "cash and cash equivalents".

17. Inventories

Inventories mainly include batches RUCONEST® and Joenja® and work in progress available for production of RUCONEST® and Joenja®.

Amounts in US$ '000	2025	2024
Finished goods	18,214	16,297
Work in progress	46,688	39,002
Raw materials	—	425
Balance at December 31	**64,902**	**55,724**

Changes in the adjustment to net realizable value:

Amounts in US$ '000	2025	2024
Balance at January 1	**(8,663)**	**(4,276)**
Addition to impairment	(6,193)	(7,608)
Release of impairment	538	15
Usage of impairment	2,522	2,749
Currency translation	(1,263)	457
Balance at December 31	**(13,060)**	**(8,663)**

The inventory valuation at December 31, 2025, of US$64.9 million (2024: US$55.7 million) is stated net of an impairment of US$13.1 million (2024: US$8.7 million). The impairment primarily relates to products no longer eligible for commercial sales.

Inventories are available for use in commercial, preclinical and clinical activities. Estimates have been made with respect to the ultimate use or sale of product, taking into account current and expected sales as well as preclinical and clinical programs. These estimates are reflected in the additions to the impairment. The releases of the impairment relate to amendments to the estimates as a result of actual sales differing from forecasted sales, the fact that vials allocated to preclinical and clinical programs can be returned to inventory, and quality issues in the manufacturing process can be reevaluated once more information is known. The costs of vials used in preclinical and clinical programs are presented under the research and development costs. Usage of impairment relates to the usage of material not sold that had been previously impaired.

Cost of inventories recognized as expenses included in the cost of sales in 2025 amounted US$32.0 million (2024: US$25.6 million). The main portion of inventories at December 31, 2025, have expiration dates starting beyond 2026 and are generally expected to be sold and/or used before expiration.

18. Trade and other receivables

Amounts in US$ '000	2025	2024
Trade receivables	41,767	41,531
Prepaid expenses	6,263	4,651
Value added tax	2,176	3,638
Other receivables	1,932	1,596
Taxes and social security	2,566	3,407
Balance at December 31	**54,704**	**54,823**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30-60 days and therefore are all classified as current. The Company's outstanding trade receivables are mainly related to the sales in the U.S. The trade receivables remained relatively stable compared to 2024, driven by the timing of customer orders and payments around year-end.

The Company did not recognize any expected credit losses. Pharming measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Pharming has a limited number of customers with long-term relationships, without a history of shortfalls. As a result, no loss allowance for expected credit losses is recognized.

The taxes and social security receivable includes US$2.3 million of corporate income tax receivable (2024: US$2.8 million).

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

19. Shareholders' equity

The Company's authorized share capital amounts to US$12.4 million (€10.6 million), exchange rate (EUR:US$) equals 1:1.1713) and is divided into 1,056,000,000 ordinary shares with a nominal value of €0.01 each. The movement in number of ordinary shares outstanding during the year is summarized as follows:

Number of shares outstanding	2025	2024
Balance at January 1	**680,308,735**	**671,073,243**
Options exercised / LTIP shares issued	21,371,705	9,235,492
Balance at December 31	**701,680,440**	**680,308,735**

All shares outstanding have been fully paid-up.

Other reserves include those reserves related to currency translation, fair value revaluation, participating interest, capitalized development costs and the conversion option of the convertible bond as disclosed in note 20. Convertible bonds. Please refer to the Consolidated statement of changes in equity and to note 29. Earnings per share and diluted shares. The Consolidated statement of changes in equity and note 29. Earnings per share and diluted shares further describe the background of the main equity movements in 2025 and 2024.

Net result and accumulated deficit

Article 21.1 of the articles of association reads as follows: 'the Board of Directors shall annually determine the amount of the distributable profit – the surplus on the profit and loss account – to be reserved.' The Board of Directors has proposed to forward the net profit for the year 2025 to the accumulated deficit. Anticipating the adoption of the financial statements by the shareholders at the Annual General Meeting of shareholders, this proposal has already been reflected in the financial statements.

Acquisition of remaining interest in Abliva

In the period from February 14, 2025, to June 18, 2025, Pharming acquired the remaining 11.1% interest in the voting shares of Abliva, thereby increasing its ownership to 100%. A cash consideration of US$7.9 million was paid to the non-controlling shareholders. The carrying amount of the acquired non-controlling interest was US$7.8 million before the disposal. The difference of US$0.2 million, has been recognized directly in accumulated deficit in equity. Following the acquisition of the remaining interest in Abliva, the total consideration in cash amounts to US$68.0 million in 2025 based on the price of SEK 0.45 paid per share.

Non controlling interest

NCI movements during the year relate solely to the full acquisition of the remaining Abliva shares, reducing the NCI balance to zero.

Amounts in US$ '000	
Carrying value at Carrying value 1 January 2025	—
Acquisition of subsidiary	7,285
Share of loss attributable to NCI	(313)
Equity contributions by parent attributed to NCI	706
Currency translation differences (OCI) attributable to NCI	83
Acquisition of NCI	(7,761)
Carrying value at Carrying value 31 December 2025	—

Share-based compensation

Share-based compensation within equity includes those transactions with third parties, the Board of Directors and employees in which payment is based in shares or options, based on current or future performance. For 2025 these transactions were valued at US$13.8 million and for 2024 at US$11.2 million (see note 24. Share-based compensation).

Value conversion rights of convertible bonds

The equity component of the convertible bond as recorded at the physical settlement date amounts to US$13.8 million, net of tax. Reference is made to note 20. Convertible bonds.

Options exercised / LTIP shares issued

In 2025, options were exercised and LTIP shares were issued for a total of 21,371,705 shares, resulting in a cashflow of US$19.8 million for the company. In 2024, options were exercised and LTIP shares were issued for a total of 9,235,492 shares resulting in a cashflow of US$5.6 million for the company.

Adjustment to share capital

On May 17, 2023, the AGM approved a 20% increase of the Company's authorized capital.
As a result the share capital increased from 880,000,000 ordinary shares with a nominal value of €0.01 each to 1,056,000,000 ordinary shares with a nominal value of €0.01 each. There were no adjustments to the authorized share capital in 2025.

Other reserves

Amounts in US$ '000	Legal Reserve Currency translation reserve (CTA)	Legal Reserve Capitalized development cost	Legal Reserve Fair value revaluation	Reserve Convertible bond	Total
Balance at January 1, 2024	**(342)**	**106**	**(1,821)**	**—**	**(2,057)**
Reserves	(187)	—	1,742	—	1,555
Other comprehensive income (loss) for the year	(11,980)	—	79	—	(11,901)
Other reserves	(1)	(30)	—	—	(31)
Value conversion rights of convertible bonds	—	—	—	12,225	12,225
Balance at December 31, 2024	**(12,510)**	**76**	**—**	**12,225**	**(209)**
Other comprehensive income (loss) for the year	27,367	—	—	1,610	28,977
Reclassification of accumulated OCI upon acquisition of NCI	83	—	—	—	83
Other reserves	—	(32)	—	—	(32)
Balance at December 31, 2025	**14,941**	**44**	**—**	**13,835**	**28,819**

The other reserves concern the (legal) reserves for currency translation differences, capitalized development cost and fair valuation revaluations, as well as the conversion option of the convertible bond as disclosed in note 20. Convertible bonds. Under Dutch law, legal reserves are not freely distributable to shareholders and must be maintained when determining the amount of distributable equity.

Adjustments to the currency translation reserve reflect the effect of translating foreign operations into the functional currency of the parent company of the Group (euro), as well as the effect from translating the financial statements into the presentation currency (US dollar). The increase in the reserve is primarily driven by the strengthening of the euro against the US dollar.

The remaining legal reserve for capitalized costs relates to the ERP system SAP S/4HANA. For more information, reference is made to note 11. Intangible assets. There were no additional internally developed capitalized costs in 2025.

The legal reserve fair value revaluation related to the changes in fair value between the acquisition date and balance sheet date on our investment in equity instruments designated at fair value through OCI, as disclosed in note 14. Investments.

The other reserve convertible bond relates to the conversion option of the convertible bond as disclosed in note 20. Convertible bonds.

20. Convertible bonds

Recognition and movements of the convertible bonds were as follows:

Amounts in US$ '000	2025	2024
Bond component (classified as liability)	98,056	82,399
Option component (classified as equity)	13,835	12,225
Balance at December 31	**111,890**	**94,624**

Bond component:

Amounts in US$ '000	2025	2024
Balance at January 1	**82,399**	**138,422**
Repurchase	—	(134,924)
Carrying value initial recognition	—	81,785
Interest paid (cash flow)	(5,067)	(4,457)
Amortization	8,752	5,725
Accrued interest	933	1,972
Currency translation	11,038	(6,124)
Balance at December 31	**98,056**	**82,399**
- Current portion	5,336	4,245
- Non-current portion	92,719	78,154

Option component:

Amounts in US$ '000	2025	2024
Balance at January 1	**12,225**	**—**
Carrying value initial recognition derivative liability	—	23,517
Fair value loss (gain) upon reclassification to equity	—	(7,040)
Income tax recorded in other comprehensive income	—	(4,251)
Currency translation	1,610	—
Balance at December 31	**13,835**	**12,225**

In April 2024, the Company offered €100 million (US$104 million) of senior unsecured convertible bonds due 2029 (the "New Bonds") convertible into new and/or existing ordinary shares in the capital of the Company. The offer was fully subscribed. The net proceeds of the issue of the bonds were used for the repurchase of the outstanding €125 million (US$129 million) 3.00% senior unsecured convertible bonds due 2025 issued on January 21, 2020 (ISIN: XS2105716554), which has been launched concurrently to the offering of the New Bonds to strengthen its financial position while enhancing flexibility for the continued execution of its business strategy over the next several years.

The New Bonds have a principal amount of €100,000 each. The New Bonds are issued at par and carry a coupon of 4.50% per annum payable semi-annually in arrears in equal installments on April 25 and October 25 of each year, commenced on October 25, 2024. Unless previously converted, redeemed or purchased and cancelled, the New Bonds will be redeemed at par on April 25, 2029.

The initial conversion price has been set at €1.2271 (US$1.2700), representing a premium of 37.5% above the volume weighted average price (VWAP) of a Share on Euronext Amsterdam between opening of trading on the launch date and the pricing of the offering (i.e. €0.8924 (US$0.9236)). The initial conversion price of the New Bonds will be subject to customary adjustment provisions as set out in the terms and conditions. The number of ordinary shares initially underlying the New Bonds is 81,492,951, representing 12% of the Company's current issued share capital. The New Bonds are listed on the Frankfurt Exchange (ISIN: XS2763018889).

The New Bonds are classified as hybrid financial instruments under IAS 32 and pursuant to it the debt host contract and the embedded derivative for the fair value of the conversion rights into Pharming shares (the "conversion option") are recognized separately.

The conversion option was measured at initial recognition using a pricing model. As the Company did not have sufficient placement capacity to fulfil conversion of the New Bonds into ordinary shares at the date of issue, the conversion option was recognized as a financial liability derivative. During the shareholder's meeting on May 21, 2024, the Company received shareholder approval to increase share capital to support the potential conversion. At the Physical settlement notice date of June 11, 2024, when the New Bond holders were notified that the cash settlement alternative would no longer be available, the conversion option was reclassified to equity at fair value, which resulted in a fair value gain of US$7.0 million immediately prior to the reclassification. Subsequently, the value of this equity component is not remeasured, apart from currency revaluation, and amounts to US$13.8 million, net of income tax effects, at December 31, 2025.

Parameters used in determination of fair value of the conversion option:

Parameter	At initial recognition	Immediately prior to reclassification
Share price	0.8924	0.7690
Conversion price per share	1.2271	1.2271
Dividend yield	— %	— %
Expected term in years	5.00	4.85
Risk-free rate	2.90 %	3.01 %
Volatility	44.34 %	43.99 %
Barrier price per share	1.5952	1.5952

The debt host contract component was measured at initial recognition as the difference between the proceeds from the bond and the value of the conversion option at initial recognition. This debt host contract is subsequently measured at amortized cost, which amounts to US$98.1 million at December 31, 2025.

Direct costs associated with the issue of the New Bonds were allocated to the debt host contract (US$2.2 million) and the conversion option (US$0.6 million) in amounts proportional to the above-mentioned initial value. They were accounted for respectively in the amortized cost (debt host contract) and in the income statement (conversion option).

21. Provisions

Amounts in US$ '000	Restructuring	Total
At 1 January 2025	—	—
Arising during the year	3,521	3,521
Utilized	(2,335)	(2,335)
At 31 December 2025	**1,187**	**1,187**
- Current portion	1,187	1,187
- Non-current portion	—	—

Restructuring

Pharming Group recorded a restructuring provision during the year, of US$1.2 million is unutilized as at December 31, 2025.

The provision relates principally to the elimination of certain non-commercial and non-medical staff positions as part of a cost optimization program.

The restructuring plan was agreed upon with the Company's Works Council and announced to employees in October 2025, when the provision was recognized in the financial statements. The restructuring is expected to be substantially completed by 2026.

The provision was measured at the best estimate of the expenditure required to settle the present obligation at the reporting date, based on formal plans and communication to affected employees. No reimbursement is expected.

The expected cash outflows related to the restructuring provision are anticipated to occur primarily in 2026. The provision does not include costs associated with future operating activities.

22. Leases

Lease liabilities can be specified as follows:

Amounts in US$ '000	2025	2024
Balance at January 1	**29,914**	**33,123**
Additions	551	2,425
Remeasurement	2,393	338
Interest expense accrued	1,130	1,141
Payments of lease liabilities	(5,376)	(5,149)
Disposals of lease liabilities	(13,687)	(309)
Currency translation	2,794	(1,655)
Balance at December 31	**17,719**	**29,914**
- Current portion	3,369	2,946
- Non-current portion	14,351	26,968

Additions in 2024 and 2025 relate to newly leased cars and remeasurement reflects adjustments due to lease extensions and inflation-related higher lease payments on buildings. The disposal of lease liabilities relates to the early termination of the DSP facility lease at Pivot Park in Oss. Further information is disclosed in note 13. Right-of-use assets.

Future minimum lease payments as at December 31, 2025, and 2024 are as follows:

	2025		2024	
Amounts in US$ '000	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	3,860	3,734	4,730	4,650
After one year but not more than five years	10,180	9,494	15,267	13,764
More than five years	5,048	4,491	15,322	11,500
Balance at December 31	**19,088**	**17,719**	**35,319**	**29,914**

23. Trade and other payables

Amounts in US$ '000	2025	2024
Accounts payable	8,545	10,103
Taxes and social security	6,043	3,284
Other accruals	34,356	13,917
Accruals for employees	21,795	16,117
Accruals for rebates and discounts	19,342	14,631
Accrual for production	15,819	8,559
Balance at December 31	**105,899**	**66,611**

The increase in trade and other payables is mainly due to timing of payments. The Other accruals relate to general expenses for which no invoice was received yet and include at December 31, 2025, the fee payable for the termination of the DSP facility lease and the sales milestone payable to Novartis on Joenja® sales. Accruals for employees mainly relate to bonuses for employees, holiday allowances and non-taken vacation days and increased due to an increase in the number of employees, partly offset by a decrease on bonuses for employees. The accrual for rebates and discounts has increased, mainly due to the increase of revenues and timing of settlements. Finally, accruals for production relate to production activities by our Contracted Manufacturing Organizations (CMOs), for which no invoice is received yet. The increase is mainly related to timing of invoicing by these CMOs.

The taxes and social security payable includes US$3.9 million of corporate income tax payable (2024: US$0.3 million).

24. Share-based compensation

The remuneration policy for the Board of Directors was adopted by the Annual General Meeting of Shareholders held on May 24, 2024, and governs the remuneration of both the Executive and the Non-Executive Directors (hereafter referred to as the "Remuneration Policy"). In accordance with Dutch law, the policy must be submitted to our shareholders for adoption every four years.

The Policy refers to an undefined number of Executive Directors and Non-Executive Directors. The Board of Directors is composed of six Non-Executive Directors (seven until June 11, 2025). In case of future appointments of additional Executive Directors, the Policy shall also be applicable to the remuneration packages for these additional Directors, if any, in accordance with the terms thereof. Therefore, any reference below to Executive Director in the singular also includes the plural, and vice versa, subject to more restrictive deviations in the Policy and except for specific references to the CEO.

The remuneration packages of the individual Directors are determined by the Board of Directors, without the involvement of the Executive Director in the deliberations and decision-making concerning his own remuneration, and each time within the restrictions set by the remuneration policy.

Arrangements in the form of shares or rights to subscribe for shares will each time remain subject to the approval of the shareholders at the General Meeting, notwithstanding the adopted policy.

On June 11, 2025, our shareholders also authorized the Board of Directors, for a period of eighteen months, as the company body authorized to grant and issue the ordinary shares to the Executive Director under the long-term incentive program and the transition arrangement, respectively, and to exclude any preemptive rights of existing shareholders in connection with these issuances.

The total expense recognized in 2025 for share-based payment plans amounts to US$13.8 million (2024: US$11.2 million).

The total expenses for share-based payment plans in 2025 is specified as follows:

Amounts in U.S.$ '000	2025	2024
Non-executive directors' remuneration	(229)	(238)
Employee options	(364)	(703)
Long term incentive plan	(5,725)	(4,153)
Restricted stock units	(7,449)	(6,154)
Share-based compensation expense	**(13,767)**	**(11,248)**

The employee options expense decreased due to a change in the employee share-based compensation plans where since 2022 Restricted Stock Units (RSU's) have been granted instead of employee options. No new employee option grants were applicable for 2025.

The restricted stock units expense increased significantly as the program was introduced in 2022 and is now active for four full years over a 4-year vesting period per grant.

24.1 Models and assumptions

IFRS 2 describes a hierarchy of permitted valuation methods for share-based payment transactions. If possible, an entity should use market prices at measurement date to determine the fair value of its equity instruments. If market prices are unavailable, as is the case with Pharming's option plans and long-term incentive plan, the entity shall estimate the fair value of the equity instruments granted.

A valuation technique should be used to estimate the value or price of those equity instruments as it would have been at the measurement date in an arm's length transaction between knowledgeable, willing parties.

The valuation technique shall be consistent with generally accepted valuation methodologies for pricing financial instruments and shall incorporate all factors and assumptions that knowledgeable market participants would consider in setting the price.

Whatever pricing model is selected, it should, as a minimum, take into account the following elements:

- The exercise price of the option;
- the expected time to maturity of the option;
- the current price of the underlying shares;
- the expected volatility of the share price;
- the dividends expected on the shares; and
- the risk-free interest rate for the expected time to maturity of the option.

Models and assumptions option plans

The costs of option plans are measured by reference to the fair value of the options at the grant date of the option. Note that during 2024 and 2025 no options were granted to employees.

The six elements above are all incorporated in the Black-Scholes model used to determine the fair value of options. The exercise price of the option and the share price are known at grant date. Volatility is based on the historical end-of-month closing share prices over a period prior to the option grant date being equal to the expected option life, with a minimum of 3 years. It is assumed no dividend payments are expected.

The total number of shares with respect to which options may be granted pursuant to the option plans accumulated, shall be determined by Pharming, but shall not exceed 10% of all issued and outstanding shares of Pharming on a diluted basis. Shares transferred or to be transferred, upon exercise of options shall be applied to reduce the maximum number of shares reserved under the plans. Unexercised options can be re-used for granting of options under the option plans.

Pharming may grant options to a member of the Executive Committee or an employee:

- at the time of a performance review;
- only in relation to an individual: a date within the first month of his or her employment;
- in case of an extraordinary achievement; and
- in case of a promotion to a new function within Pharming.

The option exercise price is the price of the Pharming shares on the stock exchange on the trading day prior to the date of grant. Vested options can be exercised at any time within five years following the date of grant. Unexercised options shall be deemed lapsed and shall cease to exist automatically after five years. Exercise of options is subject to compliance with laws and regulations in the Netherlands. Exercise of options is including withholding taxes. Each option is equal to one share unless otherwise stated. Options are not applicable for early retirement.

Option plan employees

Article 2.1 of the option plan for employees' states: Pharming may grant options to any employee. The criteria for the granting of the options up to December 11, 2020, was determined by the Board of Supervisory Directors of Pharming, at its sole discretion. Up to December 11, 2020, the Board of Management proposed (i) whether the criteria for granting an option have been met by a potential participant and (ii) the number of options to be granted. As from December 11, 2020, the execution of the Company's remuneration policy and other benefits policies and incentive programs, as approved by the Board of Directors (to the extent required), for all staff members of the Company and its subsidiaries, excluding the CEO and the other members of the Executive Committee, is delegated to the Chief Executive Officer.

Article 4.4 of the employee option plan deals with the vesting scheme of employee options and reads as follows: in case of the termination of the employment of a participant, except for retirement and death, Pharming at its sole discretion is entitled to decide that the options of the participant shall lapse. The following schedule shall apply for the cancellation:

- In the event of termination of employment within one year as of a date of grant, all options shall lapse;
- In the event of termination of employment after the first year as of a date of grant, all options, less 1/4 of the number of options shall be lapsed. The number of options to be cancelled decreases for each month that the employment continued for more than one year as of that date of grant by 1/48 of the number of options granted of that date of grant.

Models and assumptions Long Term Incentive Plan

For the long-term incentive plan, the following elements of Pharming and/or the peer group are included in order to determine the fair value of long-term incentive plan share awards, using Monte Carlo simulation:

- start and end date of performance period;
- the grant date;
- the share prices;
- exchange rates;
- expected volatilities;
- expected correlations;
- expected dividend yields; and
- risk free interest rates.

Volatilities are based on the historical end-of-month closing share prices over the 3 years.

Correlations are based on 3 years of historical correlations based on end-of-month closing quotes, taking into account exchange rates. Expected dividend yields for peers and risk-free interest rates (depending on the currency) are obtained from Bloomberg.

Under the LTIP, restricted shares are granted conditionally each year with shares vesting based on the market condition in which the total shareholder return performance of the Pharming share is compared to the total shareholder return of a peer group of other European biotech companies.

During 2025, there were no LTIP grants other than the grants for the executive directors and members of the executive committee as disclosed below.

Upon a change of control, all remaining LTIP shares will vest automatically.

Long Term Incentive Plan for the Executive Directors and members of the Executive committee

As part of the Remuneration Policy, the Long Term Incentive Program is applicable to Executive Directors and has been aligned with prevailing "best practices" and is performance related only. For the Executive Directors, the on-target value of the shares to be awarded under the LTI Program, as described in the remuneration policy, is set at 300% of the gross annual salary for the CEO (individual level of 425% was approved by EGM for the CEO, Mr. Fabrice Chouraqui) and 200% for the members of the Executive committee (representing around 50th percentile (second quartile) of the U.S. benchmark group and just in the top quartile of the EU benchmark group for the Executive Directors).

EU and U.S. benchmark group:

Company Location	Location
Europe	
ADC Therapeutics	Epalinges, Switzerland
Autolus Therapeutics	London, United Kingdom
Basilea Pharmaceutica	Allschwil, Switzerland
Bavarian Nordic	Hellerup, Denmark
BioGaia	Stockholm, Sweden
Biotest	Dreieich, Denmark
Cosmo Pharmaceuticals	Dublin, Ireland
Formycon	Planegg, Denmark
Galapagos	Mechelen, Belgium
Idorsia	Allschwil, Switzerland
Immunocore	Abingdon, United Kingdom
Kiniksa Pharmaceuticals	London, United Kingdom
Merus	Utrecht, the Netherlands
Oxford Biomedica	Oxford, United Kingdom
Santhera Pharmaceuticals	Pratteln, Switzerland
uniQure	Amsterdam, the Netherlands
Valneva	Saint-Herblain, France

Company Location	Location
U.S.	
Akebia Therapeutics	Cambridge, MA
Anika Therapeutics	Bedford, MA
Ardelyx	Waltham, MA
BioCryst Pharmaceuticals	Durham, NC
Coherus Oncology	Redwood City, CA
Collegium Pharmaceutical	Stoughton, MA
Esperion Therapeutics	Ann Arbor, MI
Harmony Biosciences	Plymouth Meeting, PA
Heron Therapeutics	Cary, NC
Ligand Pharmaceuticals	Jupiter, FL
MannKind	Danbury, CT
Mirum Pharmaceuticals	Foster City, CA
Rigel Pharmaceuticals	South San Francisco, CA
Supernus Pharmaceuticals	Rockville, MD
Travere Therapeutics	San Diego, CA
Vanda Pharmaceuticals	Washington, DC
Xeris Biopharma	Chicago, IL

The maximum value of the shares that can vest under the LTI program is set at 450% of the gross annual salary for the CEO (individual level of 637.5% was approved for the CEO, Mr. Fabrice Chouraqui, by the EGM) and 300% for other Executive Directors and Officers. Executive Directors are required to retain the shares awarded under the LTI program for a minimum of five years from the date of grant.

The shares granted to the Executive Directors under the LTI program will vest in three years after the grant date, subject to the achievement of the targets set by the Board of Directors, upon proposal of the Remuneration Committee, for the three-year performance period (i.e., double-trigger vesting), their relative weightings and the pay-out limits. All shares awarded will be subject to a retention period of five years from the date of grant (i.e., two years after vesting), in accordance with the best practice provisions of the DCGC.

The performance objectives include the Total Shareholder Return (40% weighing) and the achievement of long-term strategy-oriented objectives (60% weighing). The peer group used to determine the Total Shareholder Return is composed of the companies included in the AMX Index (or AScX Index for the period until promotion to the AMX Index in September 2025) and the Nasdaq Biotechnology Index, represented by the IBB ETF, respectively, equally weighted, at the time of the determination.

The thresholds and payout percentages for the LTI program are given by the following table, as to be determined for each of the indices separately (each weighted at 50% of pay-out):

TSR equal to index	80% pay-out
TSR 10% above index	90% pay-out
TSR 20% above index	100% pay-out
TSR 40% above index	110% pay-out
TSR 60% above index	120% pay-out
TSR 80% above index	130% pay-out
TSR 100% above index	150% pay-out
TSR below index	0% pay-out

The range of assumptions used in the Monte Carlo simulation to determine the fair value of long-term incentive plan share awards at grant date were:

	2025	2024
Volatilities	43.3%	40.5%
Risk-free interest rates	2.04%	2.53%
Dividend yields	0.00%	0.00%

Restricted Stock Units

Article 2.1 of the plan states: This Plan is effective as of October 26, 2022, and shall be executed in compliance with the Articles of Association and applicable law and concerns Pharming's (senior) management. The RSU plans are not applicable for the Board of Directors, nor the executive committee. For each participant, the RSU's granted to them will vest in four equal tranches of twelve months, provided that at the time of vesting such participant is still an employee. No performance criteria are applicable to this plan. The fair value of the grant is, in line with IFRS 2, the actual share price at date of the grant. The relating expense will be charged to Pharming's results over the vesting for the following tranches:

a. a first tranche of 25% of the RSU's granted, vesting twelve months after the Vesting Commencement Date;
b. a second tranche of 25% of the RSU's granted, vesting two years after the Vesting Commencement Date;
c. a third tranche of 25% of the RSU's granted, vesting three years after the Vesting Commencement Date; and
d. a fourth tranche of 25% of the RSU's granted, vesting four years after the Vesting Commencement Date.

24.2 Option plans

An overview of activity in the number of options for the year 2025 is as follows (please also refer to note 29. Earnings per share and diluted shares in respect of movements since the reporting date) (note that the dollar weighted average exercise price is translated using the closing exchange rate for the respective year (2025: 1:1.1713)):

	2025		2024	
	Number	Weighted Average Exercise Price (US$)	Number	Weighted Average Exercise Price (US$)
Balance at January 1	**24,238,937**	**0.932**	**34,482,312**	**0.952**
Forfeited	(439,592)	1.010	(634,874)	0.896
Expired	(751,001)	1.358	(3,707,334)	0.840
Exercised	(14,568,436)	1.074	(5,901,167)	0.784
Balance at December 31	**8,479,908**	**0.998**	**24,238,937**	**0.932**
- Vested	7,573,658	0.990	19,816,437	0.942
- Unvested	906,250	1.065	4,422,500	0.889

For the options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life is as follows (note that the range of exercise prices is translated using the closing exchange rate for the respective year (2025: 1:1.1713):

	2025	2024
Range of exercise prices (US$)	0.83 - 1.54	0.73 - 1.54
Weighted average remaining contractual life (years)	1.07	1.41

Exercised options 2025

In 2025 a total of 14,568,436 options have been exercised with an average exercise price of US$1.07. In 2024 a total of 5,901,167 options have been exercised with an average exercise price of US$0.78.

All options outstanding at December 31, 2025, are exercisable with the exception of the unvested options granted to the employees still in service.

Exercise prices of options outstanding at December 31, 2025, and the exercise values are in the following ranges (note that the exercise value in US$ is translated using the closing exchange rate for the respective year (2025: 1:1.1713)):

	2025		2024	
Exercise prices in US$	Number	Exercise value in US$ '000	Number	Exercise value in US$'000
0.57 – 0.85	350,000	296	10,460,750	8,555
0.85 – 1.54	8,129,908	8,168	13,778,187	14,045
Balance at December 31	**8,479,908**	**8,465**	**24,238,937**	**22,600**

Granted options

In 2025, the Company granted no options to employees (2024: 0).

24.3 Long Term Incentive Plan

An overview of the number of LTIP shares granted in 2022-2025 and in total as well as the fair value per share award is as follows (note that the fair value per share award in US$ is translated using the closing exchange rate for the respective year (2025: 1:1.1713)):

Participant category	2022	2023	2024	2025	Total
Executive Members of the Board of Directors	2,363,455	1,681,570	1,824,602	3,614,572	9,484,199
Executive Committee	5,816,083	4,221,870	4,997,299	6,952,793	21,988,045
Total	**8,179,538**	**5,903,440**	**6,821,901**	**10,567,365**	**31,472,244**
Fair value per share award (US$)	0.517	0.880	0.896	0.636	

The following table provides an overview of LTIP shares granted, forfeited or issued in 2022-2025 as well as the number of LTIP shares reserved at December 31, 2025:

Participant category	Granted	Issued	Forfeited / Unvested	Reserved at December 31, 2025
Executive Members of the Board of Directors	9,484,199	—	(3,621,658)	5,862,541
Executive Committee	21,988,045	(4,193,981)	(4,019,809)	13,774,255
Total	**31,472,244**	**(4,193,981)**	**(7,641,467)**	**19,636,796**

This table includes LTI shares held by individuals who ceased employment during 2025.

24.4 Restricted Stock Units

An overview of the granted RSU's to the Company's (senior) managers, as well as the number of RSU's reserved at December 31, 2025, is as follows:

Grant year	Granted	Issued	Forfeited / Unvested	Reserved at December 31, 2025	Reserved at Weighted average fair value per share in US$
2025	8,272,308	—	—	8,272,308	1.244
2024	12,091,227	(2,810,032)	(1,627,603)	7,653,592	0.903
2023	7,979,250	(3,339,765)	(1,631,263)	3,008,222	1.304
2022	4,931,000	(3,202,582)	(808,872)	919,546	1.136
Total	**33,273,785**	**(9,352,379)**	**(4,067,738)**	**19,853,668**	**1.117**

25. Board of Directors

In connection with the listing of our ADSs on Nasdaq, we converted our two-tier board structure into a one-tier board structure, with a single Board of Directors consisting of the executive director and non-executive directors. The new structure became effective on December 11, 2020.
Since that date, the Board of Directors is jointly responsible for the management of the Company. The daily management of the Company and the execution of the strategy are entrusted to the CEO, as the only Executive Director. The CEO is supported by the non-statutory Executive Committee in the execution of his tasks and responsibilities. The Non-Executive Directors share statutory management responsibility but focus on the supervision on the policy and functioning of the performance of the duties by the Executive Director and the Company's general state of affairs.

Dr. S. de Vries was the Company's sole Executive member of the Board of Directors during 2024 and continued to be the Chief Executive Officer until March 4, 2025, after which he was succeeded by Mr. F. Chouraqui. The Board of Directors has the following members:

Name	Position	
Dr. R. Peters	Chair of the Board of Directors and Non-Executive Board Member	
Ms. D. Jorn	Vice Chair of the Board of Directors and Non-Executive Board Member	until June 11, 2025
Dr. M. Pykett	Vice Chair of the Board of Directors and Non-Executive Board Member	as of June 11, 2025
Ms. B. Yanni	Non-Executive Board Member	
Ms. J. van der Meijs	Non-Executive Board Member	
Mr. L. Kruimer	Non-Executive Board Member	
Mr. S. Baert	Non-Executive Board Member	until June 11, 2025
Dr. E. Sullivan	Non-Executive Board Member	as of June 11, 2025
Dr. S. de Vries	Executive Board Member and Chief Executive Officer	until March 4, 2025
Mr. F. Chouraqui	Executive Board Member and Chief Executive Officer	as of March 4, 2025

Non-Executive members Board of Directors

Remuneration

For 2025 the annual compensation of the non-executive members of the Board of Directors was as follows:

Responsibility	Cash in Euro's (per annum)	Ordinary shares in Euro's * (per annum)	Cash in US Dollars (per annum)	Ordinary shares in US Dollars * (per annum)
Chair of the Board of Directors	90,000	40,000	101,331	45,036
Non-Executive Director	45,000	30,000	50,666	33,777
Chair Audit Committee	15,000		16,889	
Member Audit Committee	7,500		8,444	
Chair Remuneration Committee	12,500		14,074	
Member Remuneration Committee	6,250		7,037	
Chair of the Transaction Committee	12,500		14,074	
Member of the Transaction Committee	6,250		7,037	
Chair Governance Committee	12,500		14,074	
Member Governance Committee	6,250		7,037	

* All shares to be valued at the 20 day VWAP preceding the Annual General Meeting of Shareholders, without further restrictions or grant.

An additional compensation of EUR1,000 (US$1,126) per day in case of extraordinary activities, as determined by the Chair of the Board of Directors. Compensation of the Non-Executive members of the Board of Directors for 2025 and 2024 was as follows:

Amounts in US$ '000	Year	Cash	Share-Based Payment	Total
Dr. Richard Peters	2025	122	45	167
	2024	111	43	154
Ms. Deborah Jorn	2025	30	15	45
	2024	64	32	96
Ms. Barbara Yanni	2025	80	34	114
	2024	77	32	109
Dr. Mark Pykett	2025	66	34	100
	2024	63	32	95
Ms. Jabine van der Meijs	2025	80	34	114
	2024	77	32	109
Mr. Leonard Kruimer	2025	75	34	109
	2024	72	32	104
Mr. Steven Baert	2025	36	15	51
	2024	69	32	101
Dr. Elaine Sullivan	2025	50	23	73
	2024	—	—	—
Total	**2025**	**539**	**234**	**773**
	2024	**533**	**235**	**768**

Shares

At December 31, 2025, the Non-Executive members of the Board of Directors held the following numbers of shares:

December 31, 2025	Ordinary shares
Dr. Richard Peters	104,742
Dr. Mark Pykett	177,469
Ms. Barbara Yanni	177,469
Mr. Leonard Kruimer	152,631
Ms. Jabine van der Meijs	152,631
Dr. Elaine Sullivan	21,163
Total	**786,105**

All shares held by the Non-Executive members of the Board of Directors are unrestricted.

Loans or guarantees

During the year 2025, the Company has not granted loans or guarantees to any member of the Non- Executive members of the Board of Directors. No loans or guarantees to Non-Executive members of the Board of Directors were outstanding at December 31, 2025.

Executive members Board of Directors

Remuneration

The Executive Board Member is entitled to the following remuneration packages:

I) Fixed remuneration: annual base salary;
II) Variable remuneration: the variable remuneration components are (a) an annual bonus in cash as a percentage of the fixed component (short-term incentive) and (b) a (share- based) long-term incentive; and
III) Others: contribution pension premiums, travel allowance and holiday allowance.

Mr. Sijmen de Vries served as Executive Board Member and CEO until March 4, 2025. Thereafter, he continued to provide services to the Company in a consulting capacity from March 4, 2025 to December 31, 2025. The compensation disclosed below reflects his remuneration for the entire year 2025, up to and including December 31, 2025:

Amounts in US$ '000	Year	Fixed remuneration	Short term variable: annual bonus	Share based payments	Post-employment benefits	Other	Total
Mr. Sijmen de Vries	2025	$724	$132	$858	$176	$36	$1,926
	2024	$694	$414	$987	$116	$35	$2,246

Mr. Fabrice Chouraqui commenced employment on February 1, 2025, and served as Executive Board Member and CEO from March 4, 2025 through December 31, 2025. The compensation disclosed below reflects his remuneration for the full 2025 financial year, up to and including December 31, 2025:

Amounts in US$ '000	Year	Fixed remuneration	Short term variable: annual bonus	Share based payments	Post-employment benefits	Other	Total
Mr. Fabrice Chouraqui	2025	$688	$760	$1,335	$8	$388	$3,179

Options

The Executive Board Members did not hold options during 2025.

Shares

At December 31, 2025, the executive members of the board held the following numbers of unvested restricted shares under the Long term Incentive Plan and Restricted Stock Units Plan:

Shares held	As at December 31, 2025
Mr. Fabrice Chouraqui	4,637,834

Long term Incentive Plan

	Year	Granted	Settled	Forfeited / Unvested	December 31, 2025
Mr. Fabrice Chouraqui	2025	3,614,572	—	—	3,614,572

Restricted Stock Units

	Year	Granted	Settled	Forfeited / Unvested	December 31, 2025
Mr. Fabrice Chouraqui	2025	1,023,302	—	—	1,023,302

Loans or guarantees

During the year 2025, no loans or guarantees have been granted to the Executive members of the Board of Directors. No loans or guarantees to the Executive member of the Board of Directors were outstanding at December 31, 2025.

The Executive member of the Board of Director is the sole statutory director.

26. Related party transactions

Related parties' disclosure relates mainly to key management compensation and to transactions with the associated company BioConnection Investments B.V. (BioConnection).

Key management includes members of the Board of Directors:

Amounts in US$ '000	2025	2024
Salaries and other short-term employee benefits	3,267	1,676
Post-employment benefits	184	116
Share-based compensation	2,427	1,222
Total	**5,878**	**3,014**

All direct transactions with members of the Board of Directors have been disclosed in notes 24. Share-based compensation and 25. Board of Directors of these financial statements.

Related party transactions with BioConnection are in the ordinary course of that company's fill & finish business and amounted to US$5.4 million in 2025 (2024: US$4.6 million). At December 31, 2025, the Company owed BioConnection US$1.3 million (2024: US$1.5 million) for fill & finish services supplied. In addition, BioConnection owed US$0.0 million (2024: US$0.3 million) to the Company at December 31, 2025.

27. Commitments and contingencies

Material agreements

At the end of 2025 the Company had several agreements with third parties related to the manufacturing of RUCONEST® and Joenja®. In these agreements certain minimum volumes are committed. Total future commitments under these agreements are approximately US$40.1 million (2024: US$41.6 million), of which US$33.4 million relates to 2026 and US$6.7 million relates to 2027 and further. All expenditures relate to the cost of goods.

License agreements

The Group is a licensee under agreements with third parties regarding the development and marketing of its pipeline products. Under these agreements, the Group is obligated to make milestone payments whenever specified development, regulatory and commercial milestones are met, and to pay royalties to the licensors based on future sales levels. As both the timing and achievement of milestones and future sales levels are uncertain, the financial effect of these agreements cannot be estimated reliably.

License agreement for the development and commercialization of leniolisib

In August 2019, Pharming entered into a development collaboration and license agreement with Novartis to develop and commercialize leniolisib, a small molecule phosphoinositide 3-kinase delta (PI3Kδ) inhibitor being developed by Novartis to treat patients with activated phosphoinositide 3-kinase delta (PI3Kδ) syndrome (APDS). Pharming received FDA approval for the commercialization of leniolisib in the United States of America in March 2023 and received a positive CHMP's opinion in March 2026 on the leniolisib regulatory filing submitted to EMA.

The license agreement includes the following milestone and royalty payments:

- Phased development and regulatory milestone payments totaling in the low-double digit millions of US dollars, of which US$10.4 million has been incurred up through the reporting date.
- Sales milestone payments totaling in the low-triple digit millions of US dollars, of which US$5.0 million has been incurred up through the reporting date.
- Royalty payments for a term of 10 years on the net sales of licensed products at a rate in the low double-digit range, gradually increasing if net sales reach certain levels. In 2025, the Company incurred US$10.8 million of royalty payments to Novartis (2024: US$4.9 million).

License agreement for the development and commercialization of napazimone (KL1333)

Following acquisition of Abliva AB in February 2025, Pharming has now become party to a license agreement with Yungjin Pharmaceutical to develop and commercialize napazimone (KL1333), a small molecule treatment candidate for primary mitochondrial diseases.

The license agreement includes the following milestone and royalty payments:

- Phased development and regulatory milestone payments totaling in the mid-double digit millions of US dollars.
- Sales milestone payments totaling in the low-triple digit millions of US dollars.
- Royalty payments for a term of 10 years on the net sales of licensed products at a rate gradually increasing if net sales reach certain levels, from a single-digit to a low double-digit range.

28. Financial risk management

General

Pharming is exposed to several financial risks: market risks (being currency risk and interest rate risk), credit risks and liquidity risks. The Board of Directors and the Executive Committee are responsible for the management of currency, interest, credit and liquidity risks and as such ultimately responsible for decisions taken in this field.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern. This includes a regular review of cash flow forecasts and, if deemed appropriate, subsequent raising of funds through execution of equity and/or debt transactions. In doing so, the Board of Directors' and Executive Committees' strategy is to achieve a capital structure which takes into account the best interests of all stakeholders. Pharming's capital structure includes cash and cash equivalents, marketable securities, debt and equity:

Amounts in US$ '000	2025	2024
Cash and cash equivalents	145,305	54,944
Restricted cash	1,988	1,505
Marketable securities	33,796	112,949
Convertible bond - current	(5,336)	(4,245)
Convertible bond - non-current	(92,719)	(78,154)
Net cash (debt)	**83,034**	**86,999**
Cash and cash equivalents	145,305	54,944
Restricted cash	1,988	1,505
Marketable securities	33,796	112,949
Gross debt - fixed interest rates	(98,056)	(82,399)
Gross debt - variable interest rates	—	—
Net cash (debt)	**83,034**	**86,999**

Reconciliation of liabilities arising from financing activities:

Amounts in US$'000	Convertible Bond (liability)	Lease Liabilities	Total
Carrying value 1 January 2025	**82,399**	**29,914**	**112,313**
Movements from financing cash flows:			
Interest payments	(5,067)	(1,130)	**(6,197)**
Principal repayments	—	(4,245)	**(4,245)**
	(5,067)	**(5,376)**	**(10,442)**
Other movements:			
New leases, remeasurements and disposals	—	(10,743)	(10,743)
Accrued interest	9,685	1,130	10,815
Currency translation	11,038	2,794	13,833
	20,723	**(6,819)**	13,904
Carrying value 31 December 2025	**98,056**	**17,719**	**115,775**

Currency risk

This is the risk that the fair value of assets, liabilities and especially the future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. Pharming's policy for the management of foreign currency risks is aimed at protecting the operating profit and positions held or recorded in foreign currencies, in particular of the United States Dollar (USD) for the Group. Certain payments and sales in the U.S. are being and will be received in USD. Some direct payments of U.S. activities are carried in USD through the Dutch entities. At December 31, 2025, the Group's cash and cash equivalents, including restricted cash, and marketable securities amounted to US$181.1 million. This balance consists of cash assets denominated in euro for a total amount of US$79.9 million or €68.2 million (applying an exchange rate EUR/USD at December 31, 2025, of 1.1713) and cash assets in U.S. Dollars for a total amount of US$96.5 million. The US Dollar cash balance will mainly be used for the commercialization activities of the U.S. organization.
The remaining cash balance (equivalent to US$4.7 million) is primarily denominated in British pounds, Australian dollars and Swedish krona, and is utilized by the respective local entities.

Cash and cash equivalents (including restricted cash), accounts receivables and inventories denominated in USD amounted in total to US$146.4 million (€125.0 million), respectively US$32.8 million (€28.0 million) for the trade and other payables denominated in USD. Pharming performed a sensitivity analysis by applying an adjustment to the spot rate at year-end. As the balance of the cash and cash equivalents (including restricted cash), accounts receivables, inventories, trade and other payables, denominated in USD, at year-end is US$113.6 million, a 10% weakening of the euro versus US dollar would have an impact of US$11.4 million on the Group's gain (weakening of the euro). The balance sheet positions denominated in other foreign currencies are minimal, resulting in a correspondingly low currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Pharming's interest rate risk policy is aimed at minimizing the interest rate risks associated with the financing of the Company and thus at the same time optimizing the net interest costs. This policy translates into a certain desired profile of fixed-interest and floating interest positions, including those generated by cash and cash equivalents and marketable securities and those paid on finance lease liabilities. As the interest rate on the convertible bond is a fixed percentage, Pharming concluded that the total risk on interest is not material.

The issue of the Convertible Bonds due 2029 at a fixed interest rate of 4.50% p.a. has rendered this concern obsolescent. The interest on the vast majority of the Company's financial instruments is not variable with market interest rates. More information on the Convertible Bonds due 2029 can be found in note 20. Convertible bonds.

Credit risk

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge obligations. Pharming manages credit risk exposure through the selection of financial institutions having a high credit rating, using credit rating reports issued by institutions such as Standard & Poor's and Moody's. The exposure to credit risk at December 31, 2025, is represented by the carrying amounts of cash and cash equivalents, marketable securities and trade and other receivables.

The carrying amounts of the cash and cash equivalents (including restricted cash) as at December 31, 2025, amounted to US$147.3 million and was held through financial institutions with a A- to A rating from Standard & Poor's, A3 to Aa3 ratings from Moody's and A to AA- ratings from Fitch.

Marketable securities at December 31, 2025, amounted to US$33.8 million (2024: US$112.9 million). As of December 31, 2025, the Company held no government treasury certificates (2024:US$50.5 million). Since 2024, the Company has also invested in SEC Rule 2a-7 compliant institutional money market funds, which offer enhanced financial flexibility. As of December 31, 2025, these investments amounted to US$33.8 million. Complying with SEC Rule 2a-7, these funds ensure liquidity and stability through requirements on liquidity, maturity limits, credit quality and diversification.

Trade and other receivables at December 31, 2025, amounted to US$54.7 million. As at the date of these financial statements, these amounts have largely been settled, including receipts in cash and receipt of goods and services in exchange of prepaid expense items. Based on the credit ratings of cash and cash equivalents (including restricted cash) as well as the positions taken with respect to marketable securities and trade and other receivables, the Company considers that this risk is adequately managed.

Liquidity risk

The liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Pharming's objective is to maintain a minimum level and certain ratio of cash and cash equivalents (including short-term deposits and SEC Rule 2a-7 compliant institutional money market funds). The strategy of the Company is to repay its obligations through generation of cash income from operating activities such as product sales. In case such cash flows are insufficient, the Company relies on financing cash flows as provided through the issuance of shares or incurring financial liabilities. Note 3. Going concern assesment of these financial statements more extensively describes the Company's going concern assessment.

The following table presents the financial liabilities at year-end 2025, showing the remaining undiscounted contractual amounts due including nominal interest. Liabilities denominated in foreign currency have been converted at the exchange rate at December 31, 2025.

The following table provides the maturity profile of financial liabilities, the amounts presented are the gross undiscounted contractual cash flows due:

Amounts in US$ '000	Within one year	In 2-4 years	Beyond 4 years	Total	Prior year total
Trade and other payables	105,899	—	—	105,899	66,611
Lease Liabilities	3,860	9,086	6,142	19,088	35,319
Convertible Bonds	5,271	130,307	—	135,578	129,118
Total	**115,030**	**139,393**	**6,142**	**260,565**	**231,048**

Fair value estimation

The Company uses the following hierarchy for determining the fair value of financial instruments measured at fair value:

- Level 1: Quoted prices (adjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data or which are based on the probability of future events occurring (that is, unobservable inputs).

The following table presents the assets that are measured at fair value at year-end 2025 and 2024:

	2025			2024		
Amounts in US$ '000	Level 1	Level 3	Total	Level 1	Level 3	Total
Marketable securities (money market funds)	33,796	—	33,796	62,424	—	62,424
Investments in debt instruments designated as at FVTPL	—	6,703	6,703	—	3,767	3,767
Balance at December 31	**33,796**	**6,703**	**40,499**	**62,424**	**3,767**	**66,191**

The following table includes carrying values and the estimated fair values of financial instruments not measured at fair value:

Amounts in US$ '000	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
Assets:				
Cash and cash equivalents, including restricted cash	147,293	147,293	56,449	56,449
Trade and other receivables	54,704	54,704	54,823	54,823
Liabilities:				
Convertible Bond (incl. equity component)	111,890	157,481	94,624	107,899
Lease Liabilities	17,719	17,719	29,914	29,914
Trade and other payables	105,899	105,899	66,611	66,611

29. Earnings per share and diluted shares

Basic earnings per share is calculated based on the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is computed based on the weighted average number of ordinary shares outstanding including the dilutive effect of shares to be issued in the future under certain arrangements such as option plans. However, as the net result represents a loss in 2024, the diluted earnings per share are equal to the basic earnings per share for 2024. For 2025 and 2024, the basic and diluted earnings per share are:

	2025	2024
Net profit (loss) attributable to equity owners of the parent (in US$ '000)	2,851	(11,841)
Weighted average shares outstanding	688,773,370	671,347,279
Basic profit (loss) per share (in US$)	0.004	(0.018)
Weighted average diluted shares outstanding	746,866,045	785,412,134
Diluted profit (loss) per share (in US$)	0.004	(0.018)

The diluted net profit used in the calculation of dilutive profit per share amounts to US$2.9 million. Difference between the weighted average shares outstanding and the weighted average diluted shares outstanding used for basic profits calculations per share relates to restricted stock units (RSU), options and LTIP. The 81,492,951 shares related to the convertible bonds are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share.

Diluted shares

The composition of the number of shares and share rights outstanding as well as authorized share capital as per December 31, 2025, and the date of these financial statements is provided in the following table.

Movements of shares and other instruments between December 31, 2025, and April 1, 2026, are shown in the table below:

	December 31, 2025	Shares issued	Other	April 1, 2026
Shares	701,680,440	4,571,860	—	706,252,300
RSU	19,853,668	(298,494)	(1,339,365)	18,215,809
Convertible bonds	81,492,951	—	—	81,492,951
Options	8,479,908	(1,968,750)	(30,000)	6,481,158
LTIP	19,636,796	(2,304,616)	2,960,584	20,292,764
Issued	**831,143,763**	**—**	**1,591,219**	**832,734,982**
Available for issue	224,856,237	—	(1,591,219)	223,265,018
Authorized share capital	**1,056,000,000**	**—**	**—**	**1,056,000,000**

30. Events after the reporting period

On January 15, 2026, the Certificate of Dissolution of Abliva Inc., a wholly owned subsidiary of the Group, was filed with the Secretary of State of the State of Delaware. The filing confirms that Abliva Inc. was duly dissolved in accordance with Section 275 of the Delaware General Corporation Law. The subsidiary was non-operational, and its dissolution has no material impact on the Company's financial position, results of operations, cash flows, or internal organization.

The Board of Directors did not identify any other events after the reporting period affecting the 2025 financial statements.

Company financial statements

Company statement of income

For the year ended December 31

Amounts in US$ '000	notes	2025	2024
Revenues	3	**70,361**	**63,110**
Other income		**17**	**467**
Operating expenses	4	**(66,777)**	**(59,916)**
Operating result		**3,601**	**3,661**
Fair value gain (loss) on revaluation		—	7,041
Other finance income and expenses	17	(5,541)	2,675
Finance cost, net		**(5,541)**	**9,716**
Result before tax		**(1,940)**	**13,377**
Income tax credit (expense)	7	(8,998)	(207)
Result before share in result of investments		**(10,938)**	**13,170**
Share in result of investments	12	13,788	(25,011)
Profit for the year	11	**2,851**	**(11,841)**

The notes are an integral part of these financial statements.

Company balance sheet

As at December 31

(after proposed appropriation of net profit)

Amounts in US$ '000	notes	2025	2024
Non-current assets			
Intangible assets	5	25,223	24,607
Property, plant and equipment	6	495	545
Right-of-use assets	6	2,942	3,186
Long-term prepayments		94	90
Deferred tax asset	7	6,266	10,417
Financial assets	12	323,842	158,906
Restricted Cash	10	488	466
Total non-current assets		**359,350**	**198,217**
Current assets			
Trade and other receivables	8	1,803	3,787
Restricted cash	10	315	—
Marketable securities	9	33,796	112,949
Cash and cash equivalents	10	2,788	2,244
Total current assets		**38,703**	**118,980**
Total assets		**398,053**	**317,197**

Amounts in US$ '000	notes	2025	2024
Equity			
Share capital		8,009	7,769
Share premium		513,257	488,990
Other and Legal reserves		28,819	(209)
Accumulated deficit		(272,983)	(275,489)
Shareholders' equity	11	**277,102**	**221,061**
Non current Liabilities			
Convertible bonds	13	92,719	78,154
Lease liabilities	6	2,526	2,907
Total non-current liabilities		**95,245**	**81,061**
Current Liabilities			
Convertible bonds	13	5,336	4,245
Provisions	14	587	—
Intercompany payables	11	7,436	624
Trade and other payables	15	11,429	9,532
Lease liabilities	6	917	674
Total current liabilities		**25,705**	**15,075**
Total shareholders' equity and liabilities		**398,053**	**317,197**

The notes are an integral part of these financial statements.

Notes to the Company financial statements

1. General

Within Pharming, the entity Pharming Group N.V. acts as a holding company of the operating companies. Its activities are limited to the arrangement of financial transactions with third parties and to provide the operating companies with support in the field of legal, financial, human resources, public relations, IT and other services.

2. Summary of material accounting policy information

The Company financial statements have been prepared in accordance with accounting principles generally accepted in the Netherlands. The accounting policies applied are the same as those used in the consolidated financial statements in accordance with the provisions of article 362-8 of book 2 of the Dutch Civil Code, except for investments in subsidiaries and intercompany receivables and payables. Investments in subsidiaries are accounted for using the equity method. Intercompany receivables and payables are stated at nominal value.

Investments in subsidiaries are those investments with a positive equity value. In the event the equity value of a Group company together with any long-term interests that, in substance, form part of our net investment in the Group company, becomes negative, additional losses are provided for, and a liability is recognized, only to the extent that we have incurred legal or constructive obligations or made payments on behalf of the subsidiary. The Company shall, upon identification of a credit loss on an intercompany loan and/or receivable, eliminate the carrying amount of the intercompany loan and/or receivable for the value of the identified credit loss.

3. Revenues

The revenues of the Company relate to intercompany charges to group companies.

4. Expenses by nature

Operating expenses in 2025 and 2024 were as follows:

Amounts in US$ '000	2025	2024
Direct operating expenses	(15,120)	(13,477)
Employee costs (excl. Share based compensation)	(25,464)	(25,013)
Facilities and infrastructure	(5,904)	(2,926)
Share-based compensation	(13,567)	(11,253)
Depreciation and amortization charges	(3,705)	(3,667)
Other operating expenses	(3,016)	(3,580)
Total	**(66,777)**	**(59,916)**

Total operating expenses increased to US$66.8 million in 2025 from US$59.9 million in 2024.

Direct operating expenses increased primarily due to costs associated with the public cash offer in 2025 to acquire all issued and outstanding shares of Abliva AB.

Facilities and infrastructure expenses increased mainly due to higher costs associated with the implementation of a new source-to-pay system and continued investments to enhance the Company's global regulatory infrastructure.

Share-based compensation expenses increased mainly due to a higher number of equity-settled awards granted in recent years.

Employee information

The employees of Pharming Group N.V. in 2025 were based in the Netherlands, France and in Turkey. The average number of full-time equivalent employees in 2025 was 94 (2024: 93). The average number of full-time equivalent employees working outside the Netherlands was 15 (2024: 18).

5. Intangible assets

Amounts in US$ '000	RUCONEST® licenses	Joenja® license	Software	Total
At cost	8,251	24,448	140	32,839
Accumulated:				
Amortization charges	(2,761)	(1,326)	(124)	(4,211)
Carrying value at January 1, 2024	**5,490**	**23,122**	**16**	**28,628**
Amortization charges	(681)	(1,735)	(10)	(2,426)
Currency translation - cost	(489)	(1,449)	(8)	(1,946)
Currency translation - amortization	192	151	8	351
Movement 2024	**(978)**	**(3,033)**	**(10)**	**(4,021)**
At cost	7,762	22,999	132	30,893
Accumulated:				
Amortization charges	(3,250)	(2,910)	(126)	(6,286)
Impairment charges	—	—	—	—
Carrying value at January 1, 2025	**4,512**	**20,089**	**6**	**24,607**
Amortization charges	(710)	(1,807)	(5)	(2,522)
Currency translation - cost	1,022	3,029	17	4,068
Currency translation - amortization	(457)	(456)	(17)	(930)
Movement 2025	**(145)**	**766**	**(5)**	**616**
At cost	8,784	26,028	149	34,961
Accumulated:				
Amortization charges	(4,417)	(5,173)	(148)	(9,738)
Carrying value at December 31, 2025	**4,367**	**20,855**	**1**	**25,223**

More information is available in note 11. Intangible assets of the consolidated financial statements

6. Tangible assets

6.1. Property, plant and equipment

Property, plant and equipment include leasehold improvements related to office investments in the Company's headquarters and other items such as office furniture and equipment as well as IT-hardware.

Amounts in US$ '000	Leasehold improvements	Machinery and equipment	Other	Total
At cost	425	1,394	1,966	3,785
Accumulated depreciation	(415)	(1,101)	(1,388)	(2,904)
Carrying value at January 1, 2024	**10**	**293**	**578**	**881**
Investments	7	8	158	173
Depreciation charges	(6)	(112)	(351)	(469)
Currency translation - cost	(26)	(83)	(123)	(232)
Currency translation - amortization	25	70	97	192
Movement 2024	**—**	**(117)**	**(219)**	**(336)**
At cost	406	1,319	2,001	3,726
Accumulated depreciation	(396)	(1,143)	(1,642)	(3,181)
Carrying value at January 1, 2025	**10**	**176**	**359**	**545**
Investments	16	34	203	253
Depreciation charges	(5)	(87)	(278)	(370)
Currency translation - cost	54	175	272	501
Currency translation - amortization	(53)	(154)	(227)	(434)
Movement 2025	**12**	**(32)**	**(30)**	**(50)**
At cost	476	1,528	2,476	4,480
Accumulated depreciation	(454)	(1,384)	(2,147)	(3,985)
Carrying value at December 31, 2025	**22**	**144**	**329**	**495**

6.2. Leases

This note provides information for leases where the Company is a lessee.

i. Amounts recognized in the balance sheet

The balance sheet shows the following amounts relating to leases:

Right of use assets

Amounts in US$ '000	Buildings	Cars	Total
At cost	5,930	403	6,333
Accumulated depreciation	(2,439)	(288)	(2,727)
Carrying value at January 1, 2024	**3,491**	**115**	**3,606**
Additions	—	338	338
Remeasurement	338	—	338
Divestment	(305)	(227)	(532)
Depreciation charges	(654)	(118)	(772)
Depreciation of divestment	186	227	413
Currency translation - cost	(353)	(29)	(382)
Currency translation - amortization	164	13	177
Movement 2024	**(624)**	**204**	**(420)**
At cost	5,610	485	6,095
Accumulated depreciation	(2,743)	(166)	(2,909)
Carrying value at January 1, 2025	**2,867**	**319**	**3,186**
Additions	—	75	75
Remeasurement	124	—	124
Divestment	—	(135)	(135)
Depreciation charges	(684)	(129)	(813)
Depreciation of divestment	—	112	112
Currency translation - cost	743	63	806
Currency translation - amortization	(389)	(24)	(413)
Movement 2025	**(206)**	**(38)**	**(244)**
At cost	6,477	488	6,965
Accumulated depreciation	(3,816)	(207)	(4,023)
Carrying value at December 31, 2025	**2,661**	**281**	**2,942**

Lease liabilities

Amounts in US$ '000	2025	2024
Current	917	674
Non-current	2,526	2,907
Balance at December 31	**3,443**	**3,581**

ii. Amounts recognized in the statement of income

The statement of income shows the following amounts relating to leases:

Amounts in US$ '000	2024	2024
Depreciation right of use buildings	(684)	(654)
Depreciation right of use cars	(129)	(118)
Interest expense (note 16)	(212)	(231)
Total expense right of use assets	**(1,025)**	**(1,003)**

7. Income tax

The Company represents the head of the Dutch fiscal unity and the disclosures in this note relate to the tax position of the entire Dutch fiscal unity.

Deferred income tax

The net balance of deferred tax assets and liabilities is specified as follows:

Amounts in US$ '000	2025	2024
Total deferred tax assets	13,965	18,165
Total deferred tax liabilities	(7,699)	(7,748)
Total net balance of deferred tax assets and liabilities	**6,266**	**10,417**

The significant components and annual movements of deferred income tax assets as of December 31, 2025, and 31 December 2024, are as follows:

Amounts in US$ '000	2025	2024
Deferred tax assets		
Intangible assets	726	—
Other	66	45
Lease liabilities	3,406	6,215
Tax losses	9,767	11,905
Total deferred tax assets	**13,965**	**20,149**

Amounts in US$ '000	Intangible assets	Other	Lease liabilities	Tax losses	Total
At January 1, 2024	**—**	**595**	**7,044**	**12,510**	**20,149**
(Charged)/credited					
- to profit or loss	—	30	(429)	(399)	(798)
- other movement	—	—	—	—	—
- to other comprehensive income	—	(568)	—	540	(28)
- currency translation	—	(12)	(400)	(746)	(1,158)
At December 31, 2024	**—**	**45**	**6,215**	**11,905**	**18,165**
(Charged)/credited					
- to profit or loss	698	14	(3,487)	(3,562)	(6,337)
- other movement	—	—	—	—	—
- to other comprehensive income	—	—	—	—	—
- currency translation	28	7	678	1,424	2,137
At December 31, 2025	**726**	**66**	**3,406**	**9,767**	**13,965**

For more information on deferred taxes see note 10. Income tax to the consolidated financial statements.

The component and annual movement of deferred income tax liabilities as of December 31, 2025, and January 1, 2025, are as follows:

Amounts in US$ '000	2025	2024
Deferred tax liabilities		
Tangible fixed assets	(3,047)	(2,681)
Convertible bonds	(4,652)	(5,067)
Total deferred tax liabilities	**(7,699)**	**(7,748)**

Amounts in US$ '000	Tangible fixed assets	Convertible bonds	Total
At January 1, 2024	**(4,590)**	**—**	**(4,590)**
(Charged)/credited			
- to profit or loss	1,709	(1,038)	671
- to other comprehensive income	—	(4,251)	(4,251)
- currency translation	200	222	422
At December 31, 2024	**(2,681)**	**(5,067)**	**(7,748)**
(Charged)/credited			
- to profit or loss	(12)	1,040	1,028
- to other comprehensive income	—	—	—
- currency translation	(354)	(625)	(979)
At December 31, 2025	**(3,047)**	**(4,652)**	**(7,699)**

Income tax expenses

In 2025, the Company was liable to a tax expense of (US$9.0) million.

8. Trade and other receivables

Amounts in US$ '000	2025	2024
Prepaid expenses	509	635
Value added tax	911	2,356
Other receivables	125	181
Taxes and Social Securities	258	615
Balance at December 31	**1,803**	**3,787**

Trade and other receivables at December 31, 2025, are substantially short-term in nature.

9. Marketable securities

The backgrounds of the Marketable securities have been provided in note 15. Marketable securities of the consolidated financial statements.

10. Restricted cash, Cash and cash equivalents

Amounts in US$ '000	2025	2024
Restricted cash (non-current)	488	466
Restricted cash (current)	315	—
Cash and cash equivalents	2,788	2,244
Total restricted cash, cash and cash equivalents	**3,592**	**2,710**

11. Shareholders' equity

The Company's authorized share capital amounts to US$12.4 million (€10.6 million), exchange rate (EUR:US$) equals 1:1.1713) and is divided into 1,056,000,000 ordinary shares with a nominal value of €0.01 each. All 701,680,440 (€7.0 million) shares outstanding at December 31, 2025, have been fully paid-up.

Movements in shareholders' equity for 2025 and 2024 were as follows:

Amounts in US$ '000	2025	2024
Balance at January 1	**221,061**	**218,781**
Net profit (loss)	2,851	(11,841)
Foreign currency translation	28,977	(11,901)
Total comprehensive income	**31,828**	**(23,742)**
Income tax benefit from excess tax deductions related to share-based payments	1,343	(66)
Share-based compensation	13,766	11,248
Options exercised	9,926	2,615
Conversion rights of convertible bonds	—	12,225
Capital contributions to a subsidiary with non-controlling interests	(706)	—
Acquisition of non-controlling interests	(115)	—
Total transactions with owners	**24,213**	**26,022**
Balance at December 31	**277,102**	**221,061**

For a detailed movement schedule of equity for the years 2025 and 2024, please refer to note 19. Shareholders' equity of the consolidated financial statements.

12. Financial assets

Movements of the provision for investments for the years 2025 and 2024 were as follows:

Amounts in US$ '000	2025	2024
Balance at January 1	**(351)**	**(91,881)**
Share in results of investments	125	(36,817)
Contributions to investments	—	207,274
Release of provision	(120)	(80,596)
Exchange rate effects	(46)	1,669
Balance at December 31	**(392)**	**(351)**

At year-end 2025 and 2024, the provision for subsidiaries was set off against intercompany receivable balances in Pharming Group N.V.:

Amounts in US$ '000	2025	2024
Provision for investments	(392)	(351)
Investments in subsidiaries with positive equity	174,227	141,705
Receivable from group companies	150,007	17,552
Net financial assets	**323,842**	**158,906**

See note 2.3 Basis of consolidation for a list of direct subsidiaries of Pharming Group N.V.

The Company's direct investments are:

Entity	Registered office	Investment %
Pharming Americas B.V.	The Netherlands	100%
Pharming Intellectual Property B.V.	The Netherlands	100%
Broekman Instituut B.V.	The Netherlands	100%
Pharming Healthcare, Inc.	The United States	100%
ProBio, Inc.	The United States	100%
Pharming Technologies B.V.	The Netherlands	100%

13. Convertible bonds

The backgrounds of the convertible bonds have been provided in note 20. Convertible bonds of the consolidated financial statements.

14. Provisions

Amounts in US$ '000	Restructuring	Total
At 1 January 2025	—	—
Arising during the year	1,031	1,031
Utilized	(444)	(444)
At 31 December 2025	**587**	**587**
- Current portion	587	587
- Non-current portion	—	—

Restructuring

The Company recorded a restructuring provision of US$0.6 million as at 31 December 2025. The provision relates principally to the elimination of certain non-commercial and non-medical staff positions as part of a cost optimization program.

The restructuring plan was agreed upon with the Company's Works Council and announced to employees in October 2025, when the provision was recognized in the financial statements. The restructuring is expected to be substantially completed by 2026.

The provision was measured at the best estimate of the expenditure required to settle the present obligation at the reporting date, based on formal plans and communication to affected employees. No reimbursement is expected.

The expected cash outflows related to the restructuring provision are anticipated to occur primarily in 2026. The provision does not include costs associated with future operating activities.

15. Trade and other payables

Amounts in US$ '000	2025	2024
Accounts payable	644	1,030
Other payables	10,785	8,502
Balance at December 31	**11,429**	**9,532**

Trade and other payables at December 31, 2025, are short-term in nature.

16. Related party transactions

Related parties' disclosure relates mainly to transactions with group companies and the associate company BioConnection Investments B.V. and with the key management of Pharming.

Related party transactions with group companies consist of recharged costs for US$70.4 million (2024: US$63.1 million) and are recognized as revenues. These transactions take place in the ordinary course of business and are at arm's length.

In 2025, Pharming Group N.V. did not engage in any transactions with BioConnection Investments B.V.

All direct transactions with members of the Board of Directors have been disclosed in note 25. Board of Directors and of the consolidated financial statements.

17. Other finance income and expenses

Amounts in US$ '000	2025	2024
Interest income	1,055	4,345
Intercompany interest, net	3,476	7,355
Foreign currency results	(97)	58
Interest on convertible bonds	(9,685)	(7,699)
Fees and expenses on repayment and issuance convertible bonds	—	(1,151)
Interest leases	(212)	(231)
Other finance expenses	(78)	(2)
Total other finance income and expenses	**(5,541)**	**2,675**

18. Commitments and contingencies

The backgrounds of the commitments and contingencies have been provided in note 27. Commitments and contingencies of the consolidated financial statements. Of these, the leniolisib milestone commitments relate to Pharming Group N.V.

The Company has issued declarations of joint and several liabilities for debts arising from the actions of Dutch consolidated participating interests, as described in article 2:403 of the Netherlands Civil Code.

19. Events after the reporting period

The backgrounds of the events after the reporting period have been provided in note 30. Events after the reporting period of the consolidated financial statements.

Other Information

Appropriation of result

Article 21.1 of the articles of association reads as follows: 'the Board of Directors shall annually determine the amount of the distributable profit – the surplus on the profit and loss account – to be reserved'.

The Board of Directors proposes to forward the net profit for the year 2025 of US$2.9 million to the accumulated deficit.

Leiden, April 1, 2026

The Board of Directors
Fabrice Chouraqui – Executive member of the Board of Directors, President and Chief Executive Officer

The original copy has been signed by the Board of Directors.

Independent auditor's report

To: The shareholders and the Board of Directors of Pharming Group N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2025 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the financial statements 2025 of Pharming Group N.V., based in Leiden.
The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Pharming Group N.V. as at 31 December 2025, and of its result and its cash flows for 2025 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- The accompanying company financial statements give a true and fair view of the financial position of Pharming Group N.V. as at 31 December 2025, and of its result for 2025 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at December 31, 2025.
2. The following statements for 2025: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows.
3. The notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. The company balance sheet as at December 31, 2025.
2. The company profit and loss account for 2025.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Pharming Group N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgment we determined the materiality for the financial statements as a whole at US$4.8 million. The materiality is based on 1.26% of Revenue. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements in excess of US$242 thousand, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the Group audit

Pharming Group N.V. is at the head of a group of components. The financial information of this group is included in the financial statements of Pharming Group N.V.

Based on our risk assessment, we determined the nature, timing and extent of audit procedures to be performed, including determining the components at which to perform audit procedures.

In establishing the overall group audit strategy and plan, we determined the type of work that needed to be performed at the components. All audit procedures on both group and component level were performed by the Group engagement team and we did not make use of component auditors. Our group audit mainly focused on the components in the Netherlands and the United States as they represent the vast majority of the Group's activities. In addition, we performed analytical procedures with regards to the portion of significant account balances included in other components that were not selected for testing to ensure that we obtained sufficient and appropriate audit evidence on a consolidated level.

By performing the procedures mentioned above at components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We evaluated Pharming's fraud risk assessment and made inquiries with the Board of Directors, those charged with governance and others within the Group. We evaluated several fraud risk factors to consider whether those factors indicate a risk of material misstatement due to fraud. We involved our forensic specialists in our risk assessment and in determining the audit response.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

To identify fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. This work included an in depth fraud brainstorming session with the engagement team, supported by our forensic specialists and drawing on our sector experience. During the session we identified fraud risk factors and assessed whether they indicated a risk of material misstatement due to fraud. Taking into account these procedures and the presumed risks required by the prevailing auditing standards, we considered the following risks of a material misstatement due to fraud:

- Presumed significant fraud risk of revenue recognition: We identified a risk of material misstatement due to fraud related to revenue recognition as management could influence revenue recognition to meet personal targets via recording of manual journal entries within revenue.
- Significant fraud risk related to illegal interactions with patient organizations/healthcare providers: We identified a risk of material misstatement related to illegal interactions with or payments made to patient organizations and/or healthcare professionals to promote Leniolisib/ Joenja®.
- Presumed significant fraud risk of management override of controls: We identified a risk of material misstatement due to fraud related to management override of controls. Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Presumed significant fraud risk of revenue recognition

We have performed the following audit procedures:

- We obtained understanding of management's process for revenue recognition, including IFRS 15 implications and tested the effectiveness of corresponding controls.
- We performed detailed testing on the revenue population that did not derive from the regular revenue process, but was recorded via a manual journal entry. These procedures included obtaining the underlying documentation to assess the business rationale and to verify the occurrence of the recorded revenue entries.

Significant fraud risk related to illegal interactions with patient organizations/healthcare providers

We have performed the following audit procedures:

- We obtained an understanding of management's business process related to contract management and the approval of new vendors and tested the effectiveness of corresponding controls.
- We performed a third party payments analysis on vendor level and performed the following procedures for selected new vendors:
  - We obtained and inspected the donation agreements to test the business rationale of the agreement and authorised signatories.
  - We identified the promises and/or commitments and assessed whether those are acceptable under the US Healthcare regulations/restrictions.
  - We identified and verified the payment recipient(s).
  - We reviewed public sources to confirm the organisation's objectives and any link to Pharming's business.
  - We searched FCPA enforcement publications for adverse actions or reputational concerns.
- In addition, we further selected individual transactions for testing, building on the vendor-level selection already performed. For selected transactions, we obtained the supporting invoice, proof of delivery and proof of payment to test the occurrence and business rationale of the transaction.

Presumed significant fraud risk of management override of controls

We have performed the following audit procedures:

- We obtained an understanding of how journal entries are prepared and recorded.
- We tested the effectiveness of the relevant control related to the review and approval of journal entries, as well as other controls addressing the significant risks.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements using appropriate profiling tests.
- We identified and obtained an understanding of the business rationale for significant or unusual transactions that are outside the normal course of business. We have inquired with management regarding the nature of these transactions and whether related parties could be involved; and
- We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the annual accounts indicate a possibility of bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the annual accounts are disclosed in the notes to the 2025 financial statements.

Our above mentioned audit approach to address the identified fraud risks was designed in close collaboration with our forensic experts.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives, directors (including internal audit and legal counsel) and the supervisory board.

We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We evaluated whether the selection and application of accounting policies by the Group, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in note 2.5 Material accounting judgements and estimates of the financial statements. We performed a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in prior year financial statements. Impairment testing of intangible and fixed assets is a significant area to our audit as the determination whether these assets are not carried at more than their recoverable amounts is subject to significant management judgment. Reference is made to the section 'Our key audit matters'.

For significant transactions such as the acquisition of Abliva AB, we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the company through discussion with the Board of Directors, legal counsel and reading minutes and reports of internal audit.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: (corporate) tax law, adherence to the US Foreign Corrupt Practices Act, adherence to FDA/MDA regulations, animal welfare regulations and the requirements under the International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the entity is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of the entity's business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations. In addition, we considered major laws and regulations applicable to listed companies.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, the supervisory board, the executive board and others within the entity as to whether the entity is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

We are responsible for obtaining reasonable assurance that the Group is able to continue as a going concern. Management is responsible to assess the Group's ability to continue as a going concern and disclosing in the financial statements any events or circumstances that may cast significant doubt on the Group's ability to continue as a going concern.

As explained in note 3. Going concern assessment and note 26. Financial risk management, management has prepared the financial statements of Pharming Group N.V. based on the going concern assumption. No events or circumstances have been identified which cause significant doubt about the entity's ability to continue its operations (going concern risks). Our procedures to evaluate the going concern assessment of management include:

- Consider whether management's assessment of going concern contains all relevant information of which we are aware as a result of our audit and review of the other information. In addition, we inquired with management about the key assumptions underlying the going concern assessment.
- Inquiry with management regarding their knowledge of events and/or circumstances beyond the period of management's assessment.
- We reconciled the cash and cash equivalents position as used in the going concern assessment to the audited position at December 31, 2025.
- We evaluated managements' financial forecasts and analysis prepared for a period of at least 12 months from the date of preparation of the financial statements. This included consideration of the reasonableness of key underlying assumptions by evaluating historically realized and future expected operating and capital expenditure as well as evaluating mathematical accuracy of the assessment.
- We evaluated the adequacy of disclosures made in the financial statements in respect of going concern.

Our audit procedures did not produce results that were inconsistent with management's assumptions and judgments in applying the going concern assumption.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

Key audit matter

Intangible assets – Valuation of the KL1333 license acquired in a business combination

Description

The Company acquired 88.9% of the voting shares of Abliva AB on February 14, 2025, followed by the acquisition of the remaining shares on June 18, 2025. The Company accounted for the acquisition under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values. Through this acquisition, the Company obtained exclusive global rights, (excluding South Korea and Japan) to develop and commercialise napazimone (KL1333), valued at US$61.1 million. The KL1333 licence was the principal intangible asset recognised in the purchase price allocation under IFRS 3 and was measured at fair value using a probability-adjusted discounted cash flow approach.

The initial fair value measurement of the acquired KL1333 licence required significant judgement and estimation. These significant assumptions and judgements include:

- Management's long-term revenue forecasts;
- The development timelines and commercialization prospects, which include the probability of regulatory success and the expected timing of obtaining regulatory approvals; and
- The discount rate applied to future cash flows.

Given the complexity of this estimate and the judgements necessary to develop this estimate, auditing this estimate required both extensive audit effort and a high degree of auditor judgement when performing auditing procedures and evaluating the results of those procedures, and therefore we identified the valuation of the KL1333 license as a key audit matter.

The company's disclosures concerning these estimates are included in notes 2.5, 4 and 11 to the consolidated financial statements.

How the key audit matter was addressed in the audit

Our audit procedures related to the assumptions and judgements made by management in the initial determination of the valuation of the KL1333 license included the following, amongst others:

- We tested the effectiveness of controls over the valuation of the intangible asset, including management's controls over the valuation model used, management's long-term revenue forecast, development timelines and commercialization prospects including the expected timing of obtaining regulatory approvals and selection of the discount rate.
- We held inquiries with management to understand management's business process for determining the initial valuation of the intangible asset.
- We worked with our fair value specialists to assist us in testing the appropriateness of the Company's valuation model, method, date and assumptions used, to determine the initial fair value of the KL1333 license in accordance with IFRS 3.
- We tested the appropriateness of management's long-term revenue forecast by comparing these assumptions to underlying source data, market information and internal clinical information about the progress of the drug development.
- We assessed management's estimates of the probability and timing of achieving regulatory approvals by comparing this assumption to publicly available research information for mitochondrial disease and regulatory approval timelines and success rates.
- We evaluated the Company's historical accuracy of estimating the forecasted performance of drugs in development through retrospective reviews by comparing the prior years' forecasts of Joenja® and RUCONEST® to actual performance.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate by:
  - Testing the source information underlying the determination of the discount rate and testing the mathematical accuracy of the calculation.
  - Developing a range of independent estimates and comparing those to the discount rate selected by management.

Our observations

Our procedures did not result in any reportable material matters.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- The director's report including, amongst others, the report of the Remuneration Committee.
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the directors rapport in accordance with Part 9 of Book 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS AND ESEF

Engagement

We were engaged by the annual meeting of shareholders as auditor of Pharming Group N.V. on 22 May 2019, as of the audit for the year 2019 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Format (ESEF)

Pharming Group N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML format, including the (partly) marked-up consolidated financial statements, as included in the reporting package by Pharming Group N.V. complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N ‘Assurance opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument’ (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of the Board of Directors for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The non-executive directors from the Board of Directors are responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Concluding on the appropriateness of the board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We bear the full responsibility for the auditor's report.

We communicate with the non-executive directors from the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Eindhoven, April 1, 2026
Deloitte Accountants B.V.

A.J.M. Zwama-Bombeeck

Information for investors and shareholders

Share information

Pharming Group N.V. is listed on both Euronext Amsterdam (symbol: PHARM) and on Nasdaq through a level-2 ADR program where ADSs are tradeable (symbol: PHAR).

Pharming Group N.V.'s shares have been listed on Euronext Amsterdam (symbol: PHARM) since 1999.

The shares (ISIN Code: NL0010391025) are only traded through the book-entry facilities of Euroclear Nederland. The address of Euroclear Nederland is: Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

ABN AMRO Bank N.V. is the paying agent with respect to the shares. The address of the paying agent is: ABN AMRO Bank N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands.

Pharming Group N.V.'s ADSs have also been tradable on Nasdaq's Global Market (symbol: PHAR) since December 23, 2020. Each ADS (ISIN Code: NL0010391025) represents 10 of the Company's ordinary shares of €0.01 nominal value ("Ordinary Shares"). Level II listing is sponsored by J.P. Morgan Chase Bank N.A. JP Morgan Chase Bank, N.A. (located at 383 Madison Avenue, Floor 11, New York, NY 10179) acts as the depositary and registrar for the ADSs representing our ordinary shares. For further information please go to:

https://www.adr.com/drprofile/71716E105

Financial calendar 2026

May 7 — Publication of financial results for the first quarter of 2026

May 28 — Annual General Meeting of Shareholders

July 30 — Publication of financial results for the second quarter and first half of 2026

November 5 — Publication of financial results for the third quarter of 2026

Glossary

ADR/ADS American Depositary Receipt/American Depository Share.

AEs Adverse events.

AFM Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten).

AGM Annual General Meeting of Shareholders.

ALPS-FAS Autoimmune lymphoproliferative syndrome (ALPS) with FAS mutation is a primary immunodeficiency with immune dysregulation caused by certain mutations in the FAS gene.

APDS Activated phosphoinositide 3-kinase delta (PI3Kδ) syndrome is a primary immunodeficiency disease caused by activating gain of function mutations in gene contributing to the control of the immune system.

BioConnection B.V. Contract services and manufacturing organization for the development and manufacturing of injectable (bio)pharmaceutical products.

BSM Black-Scholes-Merton, financial instrument pricing framework.

C1-INH C1 esterase inhibitor, a protein present in the blood that helps regulate the complement system, which forms part of the body's natural inflammatory response. Insufficient levels or activity of C1-INH can lead to inflammation and hereditary angioedema (HAE) attacks.

CAGR compound annual growth rate

CBO Chief Business Officer.

CCO Chief Commercial Officer.

CLCO Chief Legal & Compliance Officer.

CEO Chief Executive Officer.

CFO Chief Financial Officer.

CHMP Committee for Medicinal Products for Human Use of the European Medicines Agency's (EMA).

Clinical trial/study Clinical trials typically range from Phase I to Phase IV and are performed on human individuals ranging from healthy people to patients, to evaluate safety and efficacy of new pharmaceutical products before they can be approved.

CMC Chemistry, Manufacturing & Control.

CMO Contract Manufacturing Organization or Chief Medical Officer.

Complement system The complement system is a major part of the immune system, responsible for certain immune-mediated inflammation reactions, including most reactions that cause vascular edema (swelling).

Convertible Bonds These are corporate bonds offered by a publicly traded company that give the bond holder the right to exchange the bond for a pre-determined quantity of stock.

COO Chief Operations Officer.

CPO Chief People Officer.

CRL Complete Response Letter from the U.S. FDA.

CRO Contract Research Organization.

CSRD Corporate Sustainability Reporting Directive.

CTLA4 haploinsufficiency A primary immunodeficiency characterized by immune dysregulation and caused by certain mutations in the CTLA4 (cytotoxic T-lymphocyte associated protein 4) gene.

CVID Common variable immunodeficiency.

DSP Downstream Processing.

EBITDA Earnings before Interest, Tax, Depreciation & Amortization. Defined as profit for the year adjusted to exclude income tax credit (expense), Financial cost, net and depreciation of property, plant and equipment and amortization of intangible assets.

EEA European Economic Area.

EMA The European Medicines Agency is the regulatory office for pharmaceuticals in the European Union.

EPS (Earnings per share) Profit attributable to shareholders divided by the weighted average number of ordinary shares outstanding during the period. Diluted EPS also reflects the potential impact of instruments such as share options, warrants and convertible loans.

FDA The Food and Drug Administration, part of the US Department of Health and Human Services Agency, is the regulatory office responsible for pharmaceuticals and medical devices in the United States.

FXIIa activated Factor XII (FXIIa) inhibitor.

GCP Good Clinical Practices.

GDP Good Distribution Practices.

GDPR General Data Protection Regulation.

GMP/ GMP status Good Manufacturing Practice is a term that is recognized worldwide for the control and management of manufacturing and quality control testing of foods and pharmaceutical products.

GVP Good Pharmacovigilance Practices.

HAE Hereditary Angioedema is a genetic disorder caused by insufficient activity or concentration of the C1 inhibitor protein in the plasma.

HAEi GAP Hereditary Angioedema International (patient organization) Global Access Program.

HRQoL health-related quality of life.

HTA Health Technology Assessment.

Instantie voor Dierenwelzijn (IvD) The Dutch Animal Welfare Body overseeing animal welfare and ethical review of animal research within an organization.

FRS, IAS and IASB International Financial Reporting Standards (IFRS) along with International Accounting Standards (IAS) are a set of accounting standards issued by the International Accounting Standards Board (IASB).

IRP International Recognition Procedure. The U.K. MHRA's new international recognition route for medicines utilizing pre-existing approvals from other countries including the United States.

Joenja® Registered trademark for leniolisib.

Kamada partners with international pharmaceutical companies in exclusive marketing and distribution arrangements for the Israeli market.

Leniolisib A synthetic phosphoinositide 3-kinase delta (PI3Kδ) inhibitor developed for the treatment of activated phosphoinositide 3-kinase delta syndrome (APDS). Joenja® is the registered trademark for leniolisib in markets where it has received regulatory approval.

LTIP Long Term Incentive Plan.

LTP Long-term prophylaxis.

MFDS Ministry of Food and Drug Safety of South Korea.

MHLW Ministry of Health, Labour and Welfare of Japan.

MHRA The U.K.'s Medicines and Healthcare Products Regulatory Agency.

mtDNA Mitochondrial DNA; genetic material found in mitochondria. Mutations in mtDNA are a cause of primary mitochondrial disease (PMD).

Napazimone (KL1333) An investigational therapy being developed for primary mitochondrial disease (PMD) associated with mitochondrial DNA (mtDNA) mutations.

navigateAPDS our sponsored genetic testing program in U.S. and Canada

NDA New Drug Application, the vehicle through which drug sponsors formally propose that the FDA approve a new pharmaceutical for sale and marketing in the U.S.

Net cash (debt) Defined as convertible bonds minus cash and cash equivalents, restricted cash and marketable securities.

NFKB1 haploinsufficiency is a primary immunodeficiency with immune dysregulation caused by certain mutations in the NFKB1, or nuclear factor KB subunit 1, gene.

NHS National Health Service in the United Kingdom.

NICE National Institute for Health and Care Excellence.

Novartis Swiss multinational pharmaceutical company based in Basel, Switzerland.

NVWA Nederlandse Voedsel- en Warenautoriteit. The Dutch Food and Consumer Product Safety Authority.

OLE Open-label extension study.

Orchard Therapeutics gene therapy company with a strategic partnership with Pharming for the development of OTL-105 which was discontinued in 2024.

Orphan Drug A therapy intended for use in a low-incidence indication. In certain markets, orphan designation or approval may confer eligibility for regulatory incentives, including a period of market exclusivity, subject to applicable criteria and requirements.

OrphanPacific, Inc. A Japan-based pharmaceutical company that serves as the marketing authorization holder and commercial partner for Joenja® in Japan.

P/LP pathogenic or likely pathogenic.

PBAC Australian Pharmaceutical Benefits Advisory Committee.

PBS Australian Pharmaceutical Benefits Scheme

PI3Kδ Phosphoinositide 3-kinase delta.

PIP Pediatric Investigation Plan.

PMD Primary Mitochondrial Disease.

PMDA Japan's Pharmaceuticals and Medical Devices Agency.

Primary Immunodeficiency (PID) A group of rare, inherited disorders that impair the normal function of the immune system, often resulting in increased susceptibility to infections and immune dysregulation.

PTEN deficiency A primary immunodeficiency characterized by immune dysregulation and caused by certain mutations in the PTEN (phosphatase and tensin homolog) gene.

QA Quality Assurance.

Rare disease A disease or condition with a low prevalence in the general population. In the European Union, a disease is generally defined as rare when it affects fewer than 1 in 2,000 people. In the United States, the Orphan Drug Act generally defines a rare disease as one affecting fewer than 200,000 people.

R&D Research and Development.

Recombinant Refers to a product produced using genetic material from more than one biological source.

rhC1-INH Recombinant human C1 esterase inhibitor, the active substance in RUCONEST®.

RoW Rest of World.

RUCONEST® Registered trademark for recombinant human C1 esterase inhibitor.

SEC U.S. Securities and Exchange Commission, the governmental agency that regulates the US securities industry and stock markets..

SFDA Saudi Food & Drug Authority.

SMC Scottish Medicines Consortium.

sNDA Supplemental New Drug Application.

SOBI Swedish Orphan Biovitrum International AB.

SOP Standard operating procedures.

SOX Sarbanes-Oxley Act.

SPC Supplementary Protection Certificate.

Structures chargées du Bien Être des Animaux (SBEA) The French Animal Welfare Body overseeing animal welfare and ethical review of animal research within an organization.

TGA Australian Therapeutic Goods Administration.

Transgenic Describes an organism whose cells contain genetic material introduced from another species.

Treasury stocks Also known as treasury shares or reacquired stock refers to previously outstanding stock that is bought back from stockholders by the issuing company.

Ultra-rare disease A disease or condition with an exceptionally low prevalence in the general population. While definitions vary by jurisdiction, the term generally refers to diseases affecting fewer than 1 in 50,000 people.

VUS Variant of uncertain significance.

VWAP Volume Weighted Average Price of shares.

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