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Pharming Group N.V.

H1 2022 Financial Results Analyst Call

August 4, 2022

NASDAQ: **PHAR** | EURONEXT Amsterdam: **PHARM**

Forward looking statements

This presentation may contain forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, our development plans, our clinical results and other future conditions. All statements other than statements of historical facts contained in this presentation, including statements regarding our future financial or business performance, conditions, plans, prospects, trends or strategies, objectives of management and other financial and business matters; our current and prospective product candidates, planned clinical trials and preclinical studies, projected research and development costs, current and prospective collaborations; and the estimated size of the market for our product candidates, the timing and success of our development and commercialization of our product candidates and the market acceptance thereof, are forward-looking statements. New risks and uncertainties may emerge from time to time, and it is not possible to predict all risks and uncertainties. While we may elect to update these forward-looking statements at some point in the future, we assume no obligation to update or revise any forward-looking statements except to the extent required by applicable law. Although we believe the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements.

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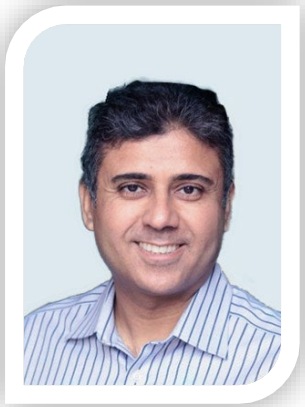
SPEAKERS

Sijmen de Vries
Chief Executive Officer



Anurag Relan
Chief Medical Officer

Jeroen Wakkerman
Chief Financial Officer

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CEO

Sijmen de Vries

Chief Executive Officer

Strategic and operational highlights

Pharming's strategic objectives

- Building a sustainable business by focusing on RUCONEST® sales
- Focus on Market approval, launch and commercialization of leniolisib in key markets of US, UK and EEA
- Ongoing pipeline development and management of rare disease assets

Continuing to build a sustainable business in rare diseases

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Building a sustainable business by focusing on RUCONEST® sales

Anticipated approval and commercialization of leniolisib

Ongoing pipeline development and management of rare disease assets

Positive cash flow from RUCONEST® helps fund leniolisib and pipeline development and management

- Fully commercialize RUCONEST® in all major international markets with our own sales forces

Successful commercialization of leniolisib and life cycle management of future indications

- Market opportunity with an estimated >1,350 patients (500 US, 675 EU, 190 Japan) living with APDS and more than 400 patients already identified by Pharming
- Developing PI3Kδ for additional indications for rare disease patients

Development through internal projects and potential acquisitions new, late-stage assets through in-licensing and M&A opportunities

- Development of OTL-105, an ex-vivo HSC gene therapy candidate for HAE
- Development of rhaGLU, an enzyme replacement therapy for Pompe disease

Strategic highlights: leniolisib progress

We remain on track for the commercial approval of leniolisib in the US, UK and the EU

USA

JUL 29 — Filing of New Drug Authorization with the FDA

AUG 2 — International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM) by the US CDC for APDS, will be effective starting October 1, 2022

Q1 2023 — We remain on track for the anticipated commercial approval from the FDA in Q1 2023, with an anticipated launch and commercialization soon after

UK / EU

JAN 6 — Pharming receives positive EMA decision on pediatric investigation plan (PIP) for leniolisib in Europe

APR 26 — MHRA granted Promising Innovative Medicine (PIM) designation for the treatment of APDS in children 1 year of age to less than 18 years of age

AUG 1 — Announced EMA Accelerated Assessment Granted for adults and adolescents aged 12 and older

H2 2022 — Remain on track for regulatory filings for both EMA and MHRA in the second half of 2022

Strategic highlights: OTL-105 & Pompe

Progress continues in preclinical studies

OTL-105

- Significant progress developing the lentiviral vector to enhance C1-inhibitor expression and is now testing in preclinical HAE disease models
- Anticipate providing further updates as we move towards preparing an Investigational New Drug (IND) filing

POMPE

- Study into the development of a next-generation alpha-glucosidase therapy for the treatment of Pompe disease is ongoing
- Currently engaged in pre-clinical studies. As and when results from these preclinical studies become available, we will update the market

Strategic highlights: Acute Kidney Injury and Pre-eclampsia

After an internal review of our pipeline, decision was made to discontinue further developments in these programs. Strategic options considered to gain value from work done to date.

ACUTE KIDNEY INJURY

De-prioritizing of large-scale production of rhC1INH through the use of our transgenic cattle herd

De-prioritized, herd will be maintained while strategic options are considered.

Phase II b clinical trial in Switzerland continues while strategic options considered

PRE-ECLAMPSIA

Discontinue further investments and developments

Operational highlights: RUCONEST® (conestat alfa)

RUCONEST® sales of US$96.8 million in H1 2022

Market representation (total revenues)
US sales – 97%
EU & RoW – 3%

RUCONEST® sales growth supported by an increase in physicians prescribing and number of patients

Stable revenues. Will allocate resources to leniolisib with view of accelerating future growth

Safe and reliable acute treatment options for hereditary angioedema (HAE)

Single digit growth expected to continue for remainder of 2022

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CMO

Anurag Relan

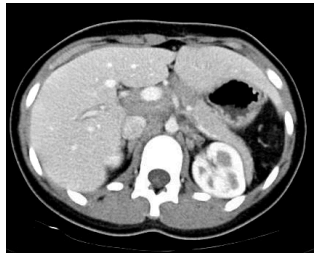
Chief Medical Officer

APDS and leniolisib

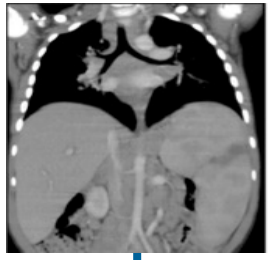
Clinical Features of APDS

Overt Non-malignant Lymphoproliferation

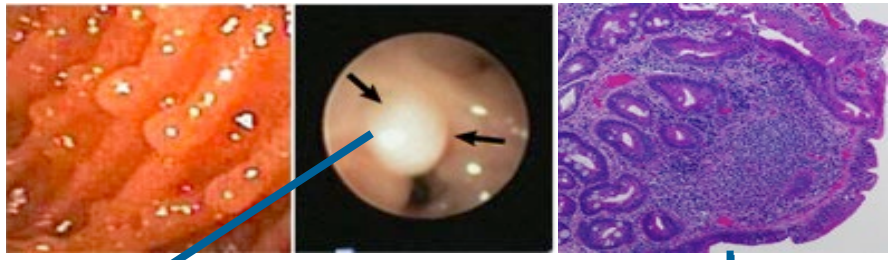
Lymphadenopathy – peripheral, mediastinal, mesenteric



Hepatosplenomegaly



Nodular lymphoid hyperplasia of the airway and GI mucosa



Malignant Lymphoproliferation

Lymphoma – diffuse large B cell, Hodgkin's, marginal zone B cell, MALToma, EBV+

Autoimmunity

Hemolytic anemia, ITP, neutropenia, Evans syndrome

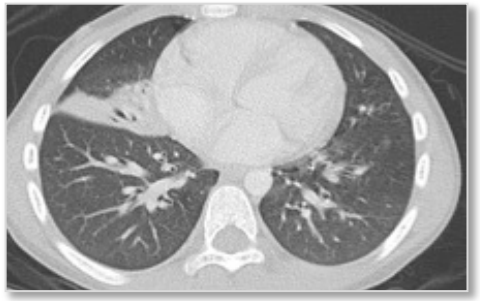
Other autoimmunity

[1-6]

Infections

Encapsulated bacteria
CMV and EBV viremia
CMV lymphadenitis
Varicella zoster
Human papillomavirus
Adenovirus
Molluscum contagiosum

Lung disease



Pneumonia, consolidation, bronchiectasis, interstitial lung disease

GI Disease

Enteropathy
Colitis, IBD-like
Protein-losing enteropathy (PLE)
Eosinophilic esophagitis (EoE)
Intussusception

Liver Disease

Nodular regenerative hyperplasia
Portal hypertension
Sclerosing cholangitis

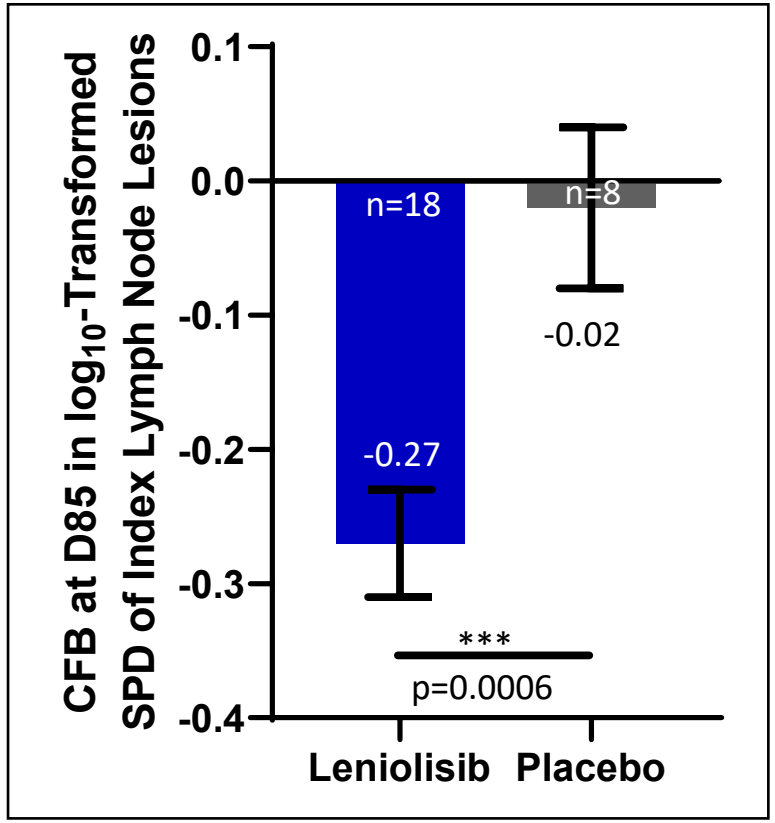
Images courtesy of Dr Gulbu Uzel and the National Institutes of Health. AIHA, autoimmune hemolytic anemia; APDS, activated PI3Kδ syndrome; CMV, cytomegalovirus; EBV, Epstein-Barr virus; GI, gastrointestinal; IBD, inflammatory bowel disease; ITP, immune thrombocytopenic purpura; PASLI, p110δ-activating mutation causing senescent T cells, lymphadenopathy, and immunodeficiency.

1. Lucas CL, et al. *Nat Immunol*. 2014;15(1):88-97. 2. Coulter TI, et al. *J Allergy Clin Immunol*. 2017;139(2):597-606. 3. Elkaim E, et al. *J Allergy Clin Immunol*. 2016;138(1):210-218. 4. Maccari ME, et al. *Front Immunol*. 2018;9:543. 5. Condliffe AM, Chandra A. *Front Immunol*. 2018;9:338. 6. Data on file. Pharming Healthcare Inc. 2022.

Leniolisib reduced lymphadenopathy

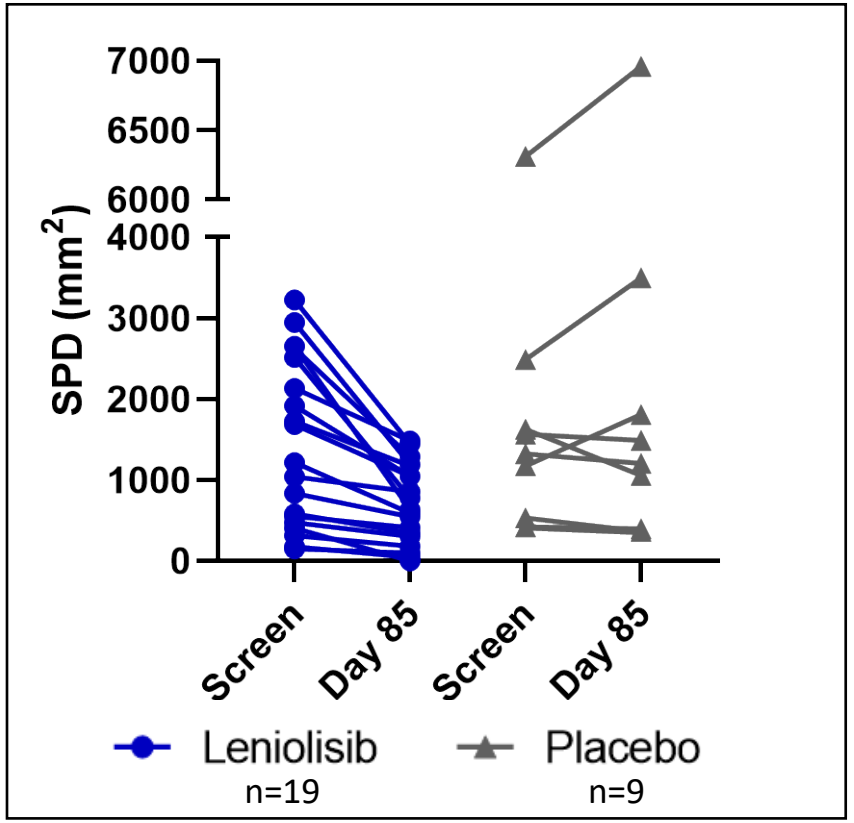
Primary Outcome Analysis*

Change from baseline in index lesions



Individual Index Lesion Sizes

Safety analysis set



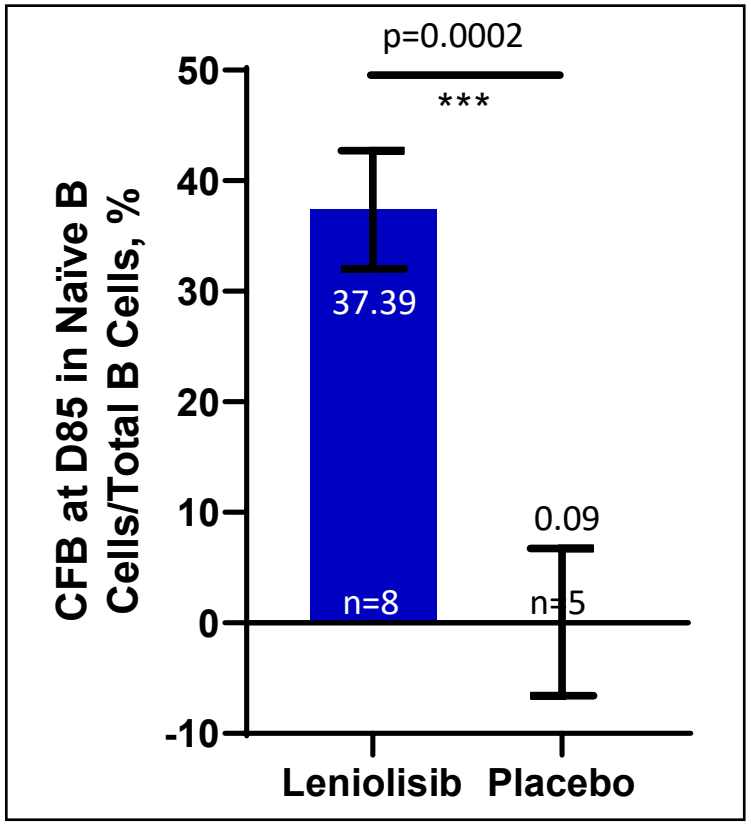
*Data were analyzed using ANCOVA model with treatment as a fixed effect and log_{10}-transformed baseline as a covariate. Use of glucocorticoids and IVIG at baseline were both included as categorical (Yes/No) covariates. P-value is 2-sided. Least square means are graphed. Error bars are standard error of the mean. 4 patients from the 31 in the safety analysis were excluded from the PD analysis. An additional patient was excluded from the index lesion analysis because the baseline lung index had fully resolved (0 mm) by D85.

CFB, change from baseline; D, day; PD, pharmacodynamics; SPD, sum of product of diameters; 3D, 3-dimensional. Data on file. Pharming Healthcare Inc. 2022.

Leniolisib Increased the Percentage of Naïve B Cells Out of Total B Cells

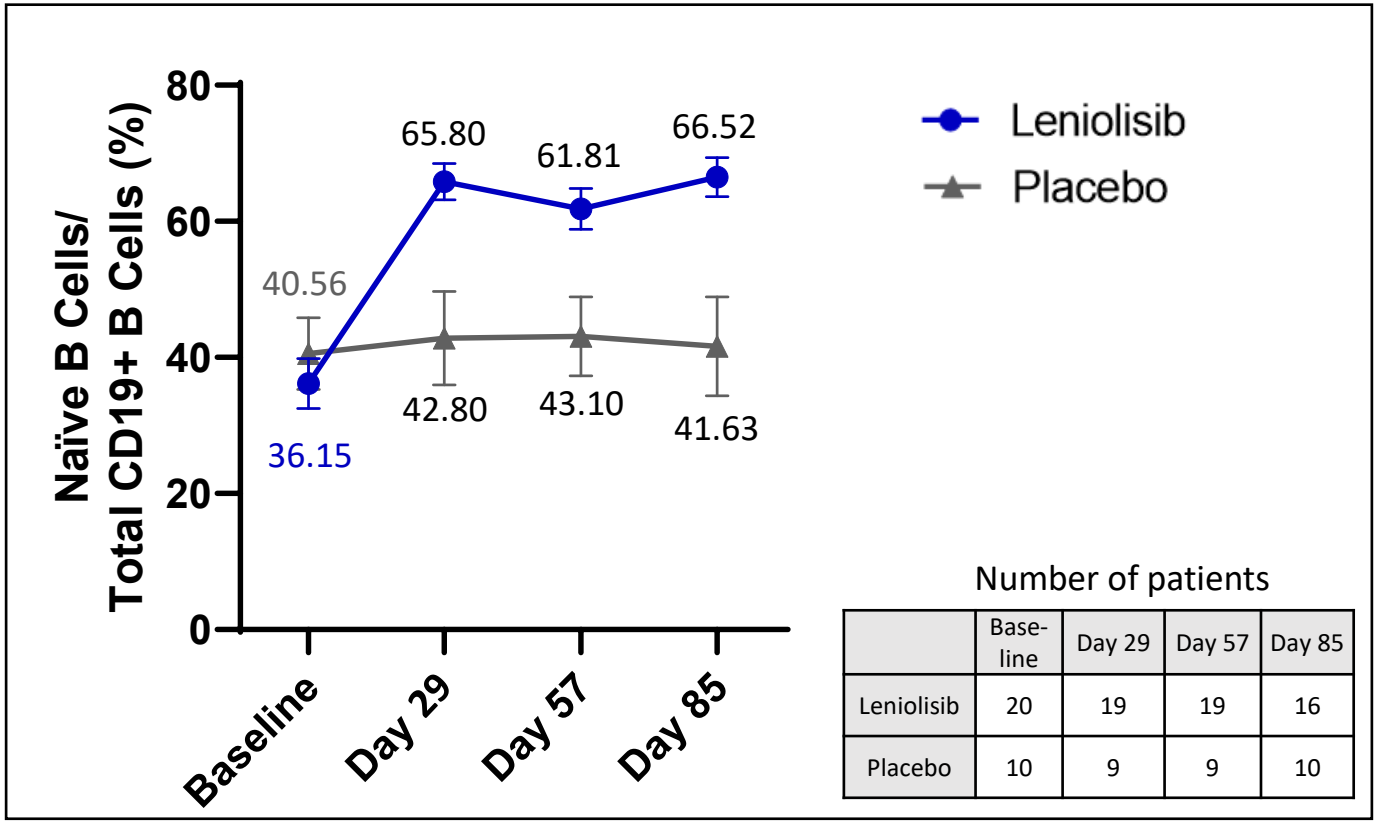
Primary Outcome Analysis*

Change from baseline in naïve B cells



Mean Percentage of Naïve B Cells Over Time

Safety analysis set



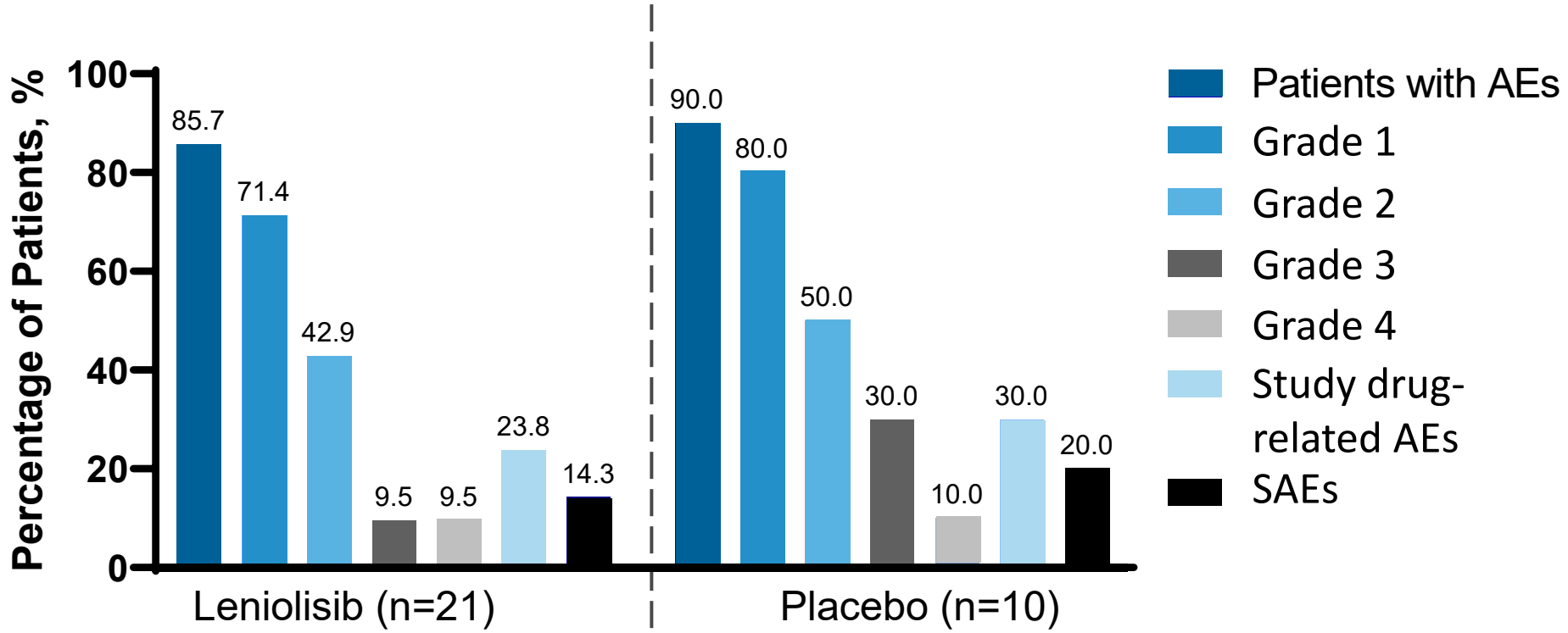
Number of patients

	Base-line	Day 29	Day 57	Day 85
Leniolisib	20	19	19	16
Placebo	10	9	9	10

*Data were analyzed using an ANCOVA model with treatment as a fixed effect and baseline as a covariate. Use of glucocorticoids and IVIG at baseline were both included as categorical (Yes/No) covariates. *Baseline* is defined as the arithmetic mean of the baseline and Day 1 values when both are available, and if either baseline or the Day 1 value is missing, the existing value is used. P-value is 2-sided. Least square means are graphed. Error bars are standard error of the mean. Out of 27 patients in the PD analysis set, 13 patients met the analysis requirements, including having a percentage of <48% of naïve B cells at baseline, to form the B-PD analysis set.

Data on file. Pharming Healthcare Inc. 2022.

Leniolisib over three months was well tolerated



	Leniolisib (n=21)						
Number of AEs	92	65	19	3	3	6	5
Number of patients with ≥1 AE	18	15	9	2	2	5	3

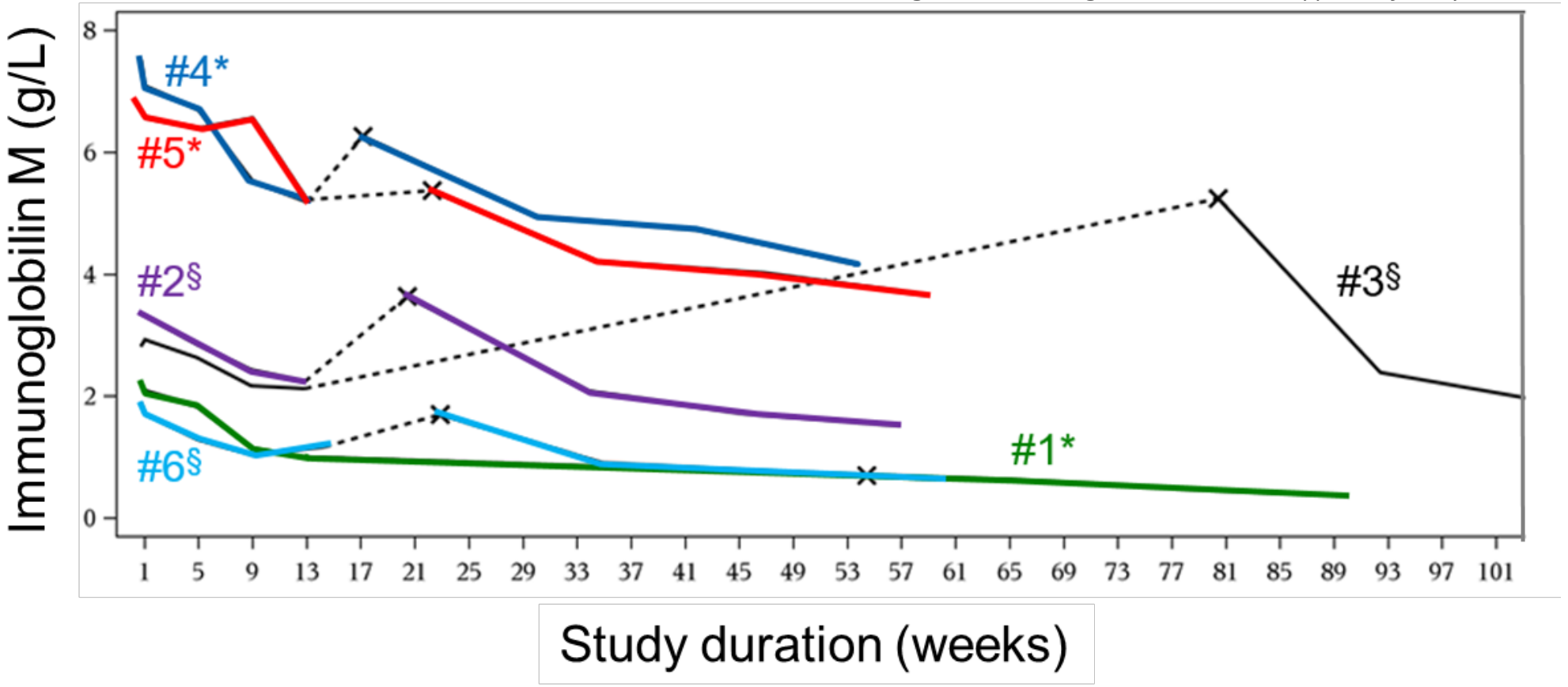
	Placebo (n=10)						
Number of AEs	45	27	13	4	1	8	5
Number of patients with ≥1 AE	9	8	5	3	1	3	2

- No deaths (grade 5 AEs) were reported
- No AEs led to discontinuation of study treatment
- No SAEs were related to study treatment, and the incidence of SAEs was lower in the leniolisib group than the placebo group

CTC were used to determine AE grade. If CTC-AE grading did not exist for an AE, the following definitions were used: 1, mild; 2, moderate; 3, severe; 4, life-threatening; 5, death.
AEs, adverse events; CTC, Common Toxicity Criteria; SAEs, serious adverse events. Data on file. Pharming Healthcare Inc. 2022.

Long term leniolisib results (N=6)

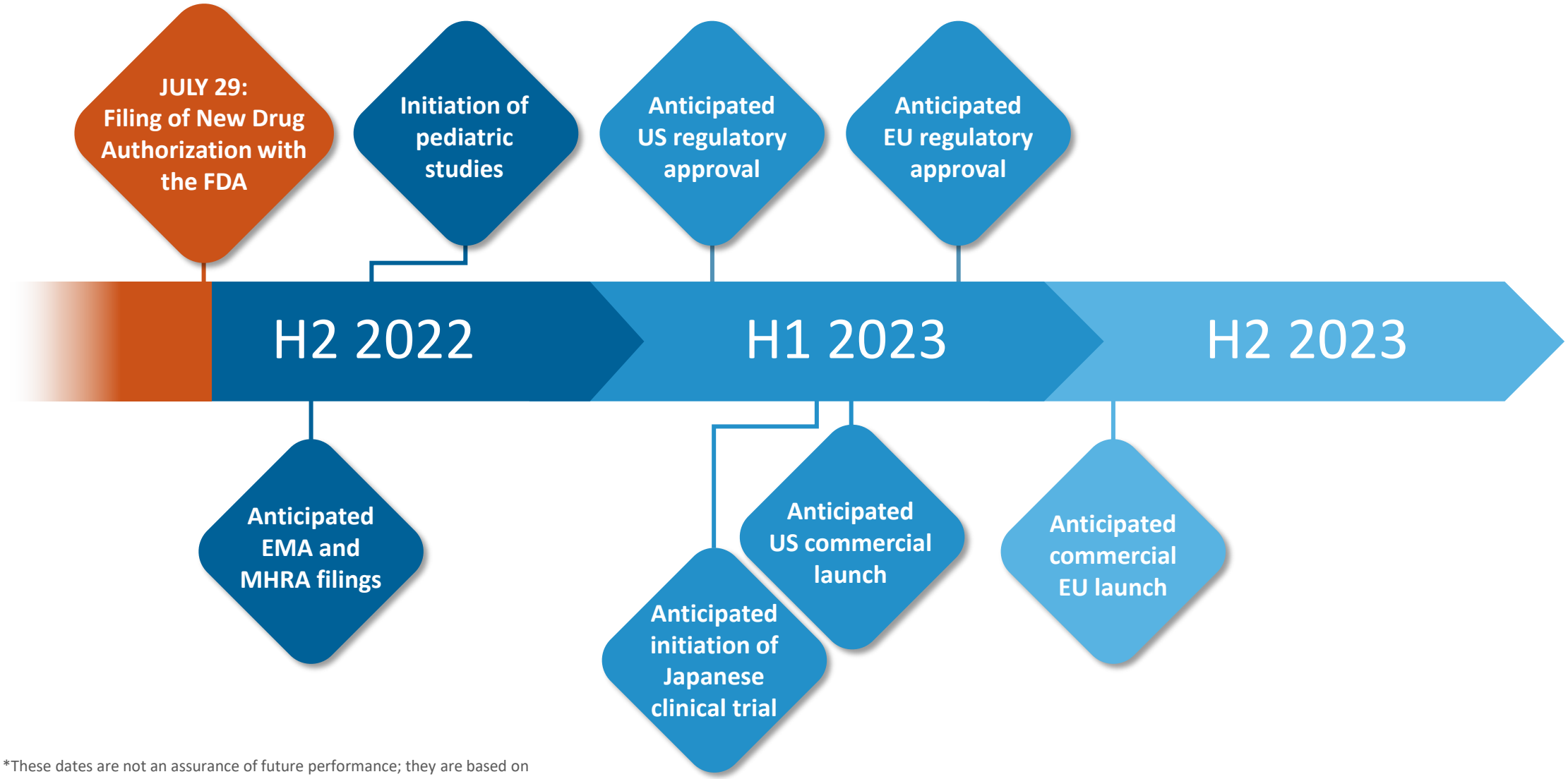
Leniolisib is an investigational new drug that has not been approved for any use.



Patients have stopped (*) or decreased (§) immunoglobulin supplementation as a reflection of the normalization of their B cell function. Dashed lines indicate patient not on treatment

Slide courtesy of Dr V. Koneti Rao. Blood (2018) 132 (Supplement 1): 3706.

Upcoming milestones for leniolisib*



*These dates are not an assurance of future performance; they are based on current expectations and assumptions regarding the future of our business. Please refer to our Forward-looking Statement on slide 2 of this presentation.

Leniolisib is an investigational new drug that has not been approved for any use.

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CFO

Jeroen Wakkerman

Chief Financial Officer

Financial highlights

Financial highlights

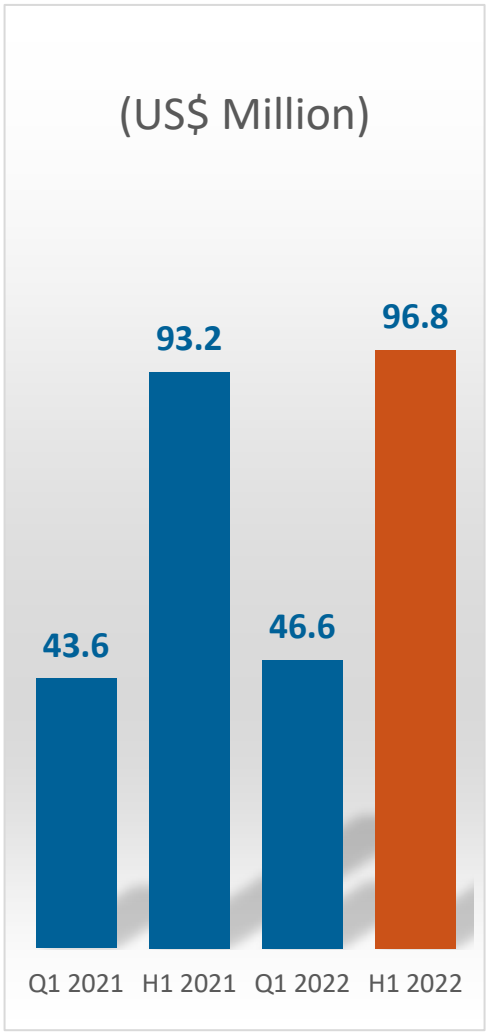
- Total revenues up 4% compared to H1 2021
- Net profit increased by 33% compared to H1 2021
- Positive cash flows, offset by exchange rate effect
- Stake held by Pharming in BioConnection reduced, received a one-off US$7.5 million cash payment and recognized gain of US$12.8 million.

Financial highlights: Q2 2022

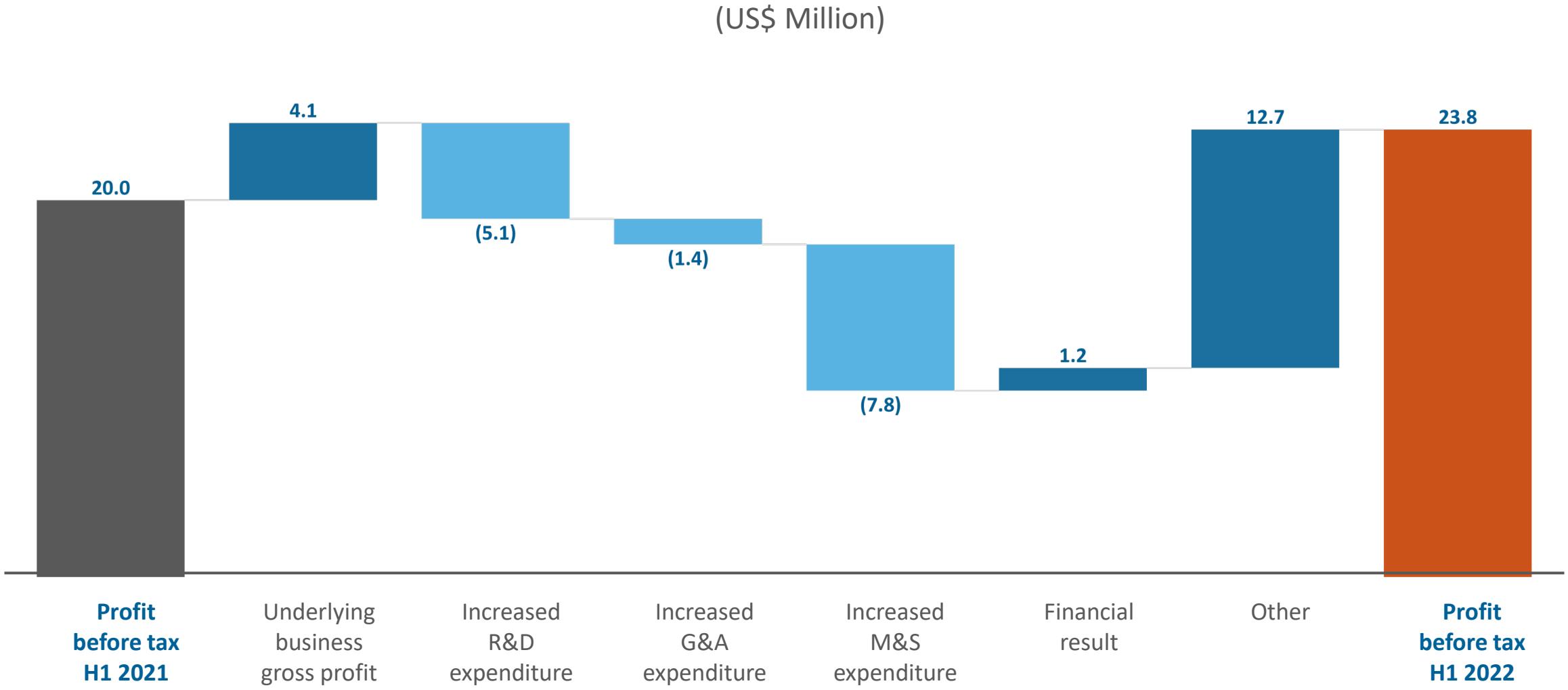
TOTAL REVENUES Q2 2021	US$49.7 million
TOTAL REVENUES Q2 2022	US$50.1 million
GROSS PROFIT Q2 2021	US$45.0 million
GROSS PROFIT Q2 2022	US$46.1 million
OPERATING PROFIT Q2 2021	US$10.9 million
OPERATING PROFIT Q2 2022	US$17.8 million
NET PROFIT Q2 2021	US$5.8 million
NET PROFIT Q2 2022	US$15.7 million

Financial highlights: H1 2022

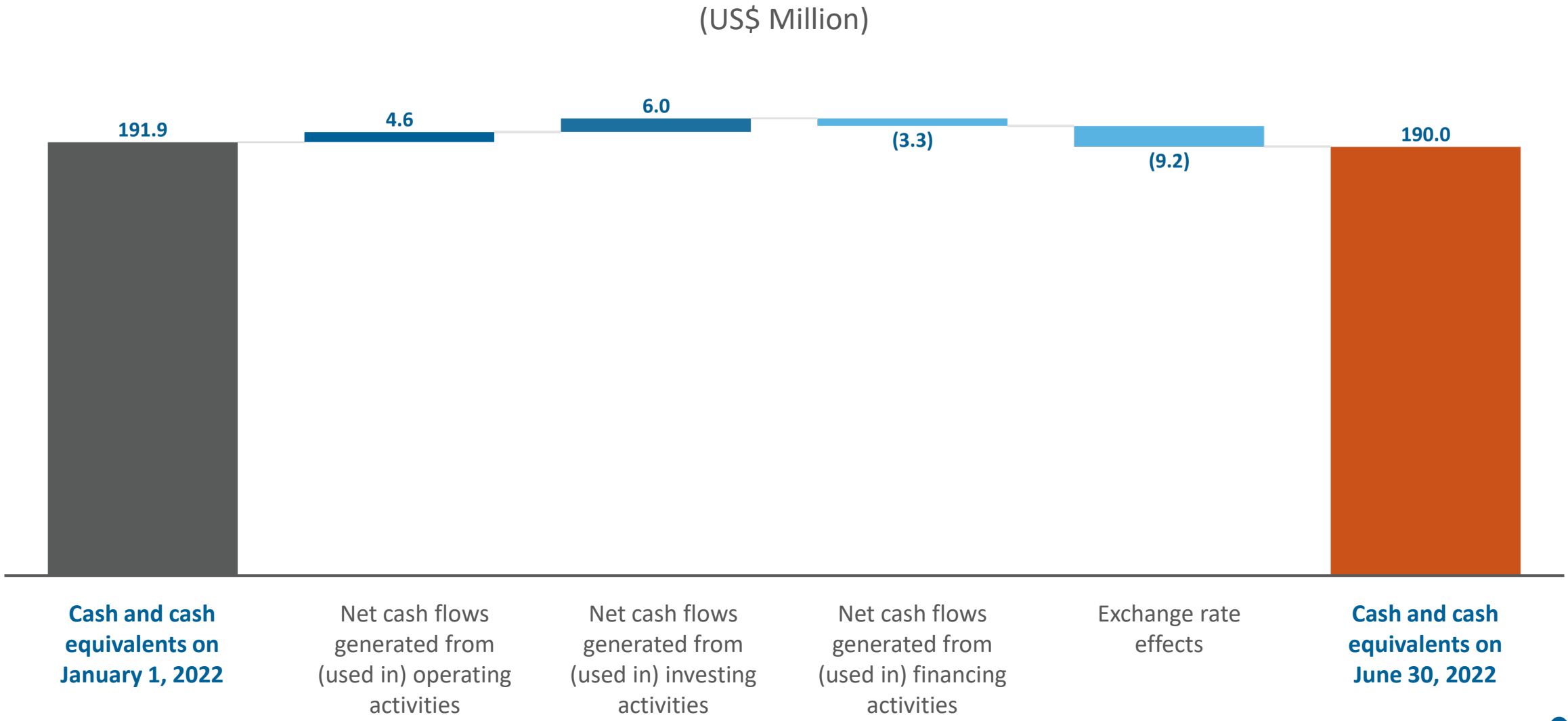
TOTAL REVENUES H1 2021	US$93.2 million
TOTAL REVENUES H1 2022	Increased by 4% to US$96.8 million
GROSS PROFIT H1 2021	US$83.8 million
GROSS PROFIT H1 2022	Increased by 5% to US$87.9 million
OPERATING PROFIT H1 2021	US$17.2 million
OPERATING PROFIT H1 2022	Increased by 20% to US$20.6 million
NET PROFIT H1 2021	US$14.4 million
NET PROFIT H1 2022	Increased by 33% to US$19.2 million



H1 2022: Profit before tax H1 2021 – H1 2022



H1 2022: Cashflow January 1, 2022 – June 30, 2022



BioConnection transaction – positive financial impact

APR 2019 — Pharming paid €4.1 million for a 43.85% stake in BioConnection

APR 2022 — All shares in BioConnection were sold, followed by a partial re-investment

APR 2022 — As a result of the transactions, the stake held by Pharming in BioConnection reduced to 22.98% and received a one-off US$7.5 million cash payment.

END OF Q1 2022

BioConnection holding: US$ 6.6m

At net equity value

TRANSACTION CONSEQUENCES

BioConnection holding:	US$ 3.5m*
Pref shares:	US$ 8.4m
Cash:	US$ 7.5m
Total:	US$ 19.4m

* 22.98%/43.85% x USD 6.6m = USD 3.5m

GAIN ON DISPOSAL

Value from transaction:	US$ 19.4m
Value end of Q1 2022:	US$ 6.6m
Gain on disposal:	US$ 12.8m

This gain is non-taxable

Outlook for the remainder of 2022

Single digit growth in Group revenues from RUCONEST® sales, quarterly fluctuations are expected.

On track for leniolisib regulatory filings to EMA and UK MHRA in H2 2022.

Commercial approval of leniolisib from FDA in Q1 2023, with an anticipated launch and commercialization in US.

*subject to positive outcomes of the FDA review and granting of a Priority Review

Continue to allocate resources towards the anticipated launch and commercialization of leniolisib.

Investment & continued focus on potential acquisitions and in-licensing of new, late-stage development opportunities and assets in rare diseases.

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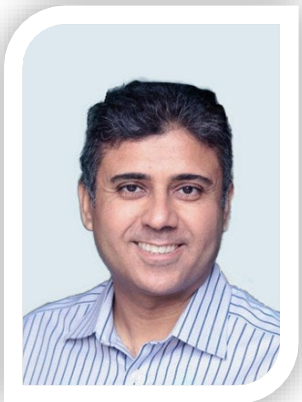
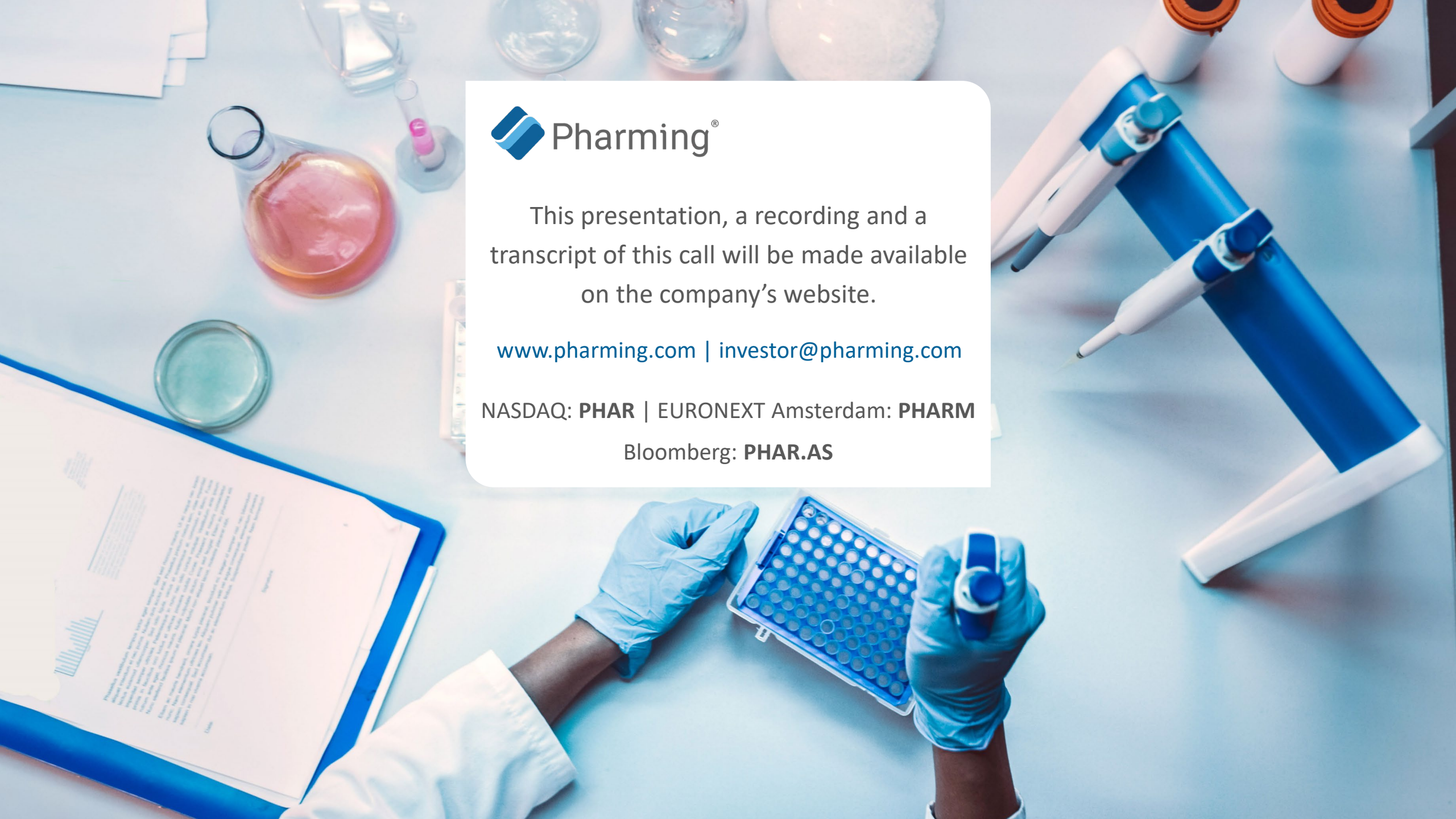
Q&A

Sijmen de Vries
Chief Executive Officer



Anurag Relan
Chief Medical Officer

Jeroen Wakkerman
Chief Financial Officer



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This presentation, a recording and a transcript of this call will be made available on the company's website.

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Bloomberg: **PHAR.AS**

Statement of profit and loss

Amounts in $ '000	notes	H1 2022	H1 2021
Revenues	7	**96,763**	**93,237**
Costs of sales	9	**(8,906)**	**(9,487)**
Gross profit		**87,857**	**83,750**
Other income	8	**14,955**	**1,354**
Research and development		(29,296)	(24,206)
General and administrative		(16,421)	(15,060)
Marketing and sales		(36,449)	(28,686)
Other Operating Costs	9	**(82,166)**	**(67,952)**
Operating profit		**20,646**	**17,152**
Fair value gain (loss) on revaluation derivatives		—	44
Other finance income	10	6,474	5,398
Other finance expenses	10	(2,780)	(2,958)
Finance gain (cost) net		**3,694**	**2,484**
Share of net profits in associates using the equity method	11	**(550)**	**388**
Profit before tax		**23,790**	**20,024**
Income tax credit (expense)		(4,587)	(5,672)
Profit for the year		**19,203**	**14,352**
Basic earnings per share (US$)	19	0.029	0.022
Diluted earnings per share (US$)	19	0.027	0.019

Balance sheet – assets

Amounts in $ '000	notes	June 30, 2022	December 31, 2021
Non-current assets			
Intangible assets	12	75,766	83,834
Property, plant and equipment	13	11,674	13,222
Right-of-use assets	14	18,284	19,943
Long term prepayments	.	223	194
Deferred tax assets	15	18,594	21,216
Investments accounted for using the equity method	11	3,143	7,201
Investments in equity instruments designated as at FVTOCI	11	643	1,449
Investments in debt instruments designated as at FVTPL	11	7,845	—
Restricted cash		746	812
Total non-current assets		**136,918**	**147,871**
Current assets			
Inventories	16	33,929	27,310
Trade and other receivables		32,878	29,983
Restricted cash		209	227
Cash and cash equivalents		189,964	191,924
Total current assets		**256,980**	**249,444**
Total assets		**393,898**	**397,315**

Balance sheet – liabilities

Equity			
Share capital		7,469	7,429
Share premium		458,357	455,254
Legal reserves		(12,607)	3,400
Accumulated deficit		(253,549)	(273,167)
Shareholders' equity	**17**	**199,670**	**192,916**
Non-current liabilities			
Convertible bonds	18	128,235	139,007
Lease liabilities	14	16,647	18,456
Other financial liabilities		152	165
Total non-current liabilities		**145,034**	**157,628**
Current liabilities			
Convertible bonds	18	1,728	1,879
Trade and other payables		45,074	42,473
Lease liabilities		2,392	2,419
Total current liabilities		**49,194**	**46,771**
Total equity and liabilities		**393,898**	**397,315**

Cash flow (1/2)

Amounts in $'000	H1 2022	H1 2021
Profit before tax	**23,790**	**20,024**
Non-cash adjustments:		
Depreciation, amortization, impairment	4,263	4,518
Equity settled share-based payments	2,879	3,793
Gain on disposal of investment in associate	(12,708)	—
Fair value gain (loss) on revaluation of derivatives	—	(44)
Other finance income	(6,474)	(5,398)
Other finance expense	2,780	2,958
Share of net profits in associates using the equity method	550	(388)
Other	—	229
Operating cash flows before changes in working capital	**15,080**	**25,692**
Changes in working capital:		
Inventories	(6,619)	(3,150)
Trade and other receivables	(2,895)	(1,649)
Payables and other current liabilities	2,601	(4,542)
Restricted Cash	(84)	24
Total changes in working capital	**(6,997)**	**(9,317)**
Interest received (paid)	(54)	43
Income taxes paid	(3,422)	—
Net cash flows generated from (used in) operating activities	**4,607**	**16,418**
Capital expenditure for property, plant and equipment	(729)	(5,436)
Investment intangible assets	(829)	(1,206)
Investment in associate	7,578	—
Acquisition of license	—	(1,083)
Net cash flows generated from (used in) investing activities	**6,020**	**(7,725)**

Cash flow (2/2)

Capital expenditure for property, plant and equipment	(729)	(5,436)
Investment intangible assets	(829)	(1,206)
Investment in associate	7,578	—
Acquisition of license	—	(1,083)
Net cash flows generated from (used in) investing activities	**6,020**	**(7,725)**
Payment on contingent consideration	—	(25,000)
Payment of lease liabilities	(1,594)	(1,618)
Proceeds of issued convertible bonds	—	—
Interests on loans	(2,052)	(2,261)
Proceeds of equity and warrants	306	3,867
Net cash flows generated from (used in) financing activities	**(3,340)**	**(25,012)**
Increase (decrease) of cash	**7,287**	**(16,319)**
Exchange rate effects	(9,247)	(537)
Cash and cash equivalents at 1 January	191,924	205,159
Total cash and cash equivalents at 30 June	**189,964**	**188,303**