

Decisions of Herantis Pharma Plc's Annual General Meeting of shareholders

Herantis Pharma Plc

Company release, 15 April 2021 at 4:45 p.m. Eastern European Time

Herantis Pharma Plc's ("Herantis") Annual General Meeting was held in Helsinki on Thursday, 15 April 2021. Shareholders participated in the meeting and exercised their rights only by voting in advance, in addition to which they could make counterproposals and present questions in advance. The annual general meeting was arranged in accordance with an exceptional meeting procedure based on temporary legislation approved by the Finnish Parliament on 2 October 2020 to limit the spread of the Covid-19 pandemic.

Adoption of the annual accounts, loss for the financial year and resolution on discharge from liability

The Annual General Meeting adopted the consolidated financial statements and the parent company's financial statements for the financial year 1 January 2020 – 31 December 2020, and discharged the members of the Board of Directors and the CEO from liability. The Annual General Meeting decided that, as proposed by the Board of Directors, no dividend be paid for the financial year 1 January - 31 December 2020 and that the loss for the financial year shall be entered in the account for profit and loss.

Resolution on the remuneration, number and election of the members of the Board of Directors

The Annual General Meeting resolved, in accordance with the proposal by the Shareholders' Nomination Committee, that the remuneration of the Board of Directors shall be as follows:

- The remuneration payable to the members of the Board of Directors shall be EUR 18,000 annually for each member of the Board except for the Chairman of the Board who shall be paid EUR 30,000 annually and the Vice Chairman of the Board who shall be paid EUR 24,000 annually. The remuneration proposed above remains unchanged from the previous year, but it has been presented on an annual basis.
- The Chairman of the Audit Committee shall receive a fixed annual fee of EUR 8,000 and each member of the Audit Committee a fixed annual fee of EUR 4,000.
- The Chairman of the Remuneration Committee shall receive a fixed annual fee of EUR 4,000 and each member of the Remuneration Committee a fixed annual fee of EUR 2,000.
- Board members are also reimbursed reasonable travel expenses related to the duties of the Board of Directors.

In accordance with the proposal of the Shareholders' Nomination Committee, the Annual General Meeting resolved that the number of members of the Board of Directors shall be six (6).

In accordance with the proposal of the Shareholders' Nomination Committee, all current members of the Board of Directors, i.e. Timo Veromaa, Mats Thorén, Frans Wuite, James Phillips, and Aki

Prihti were re-elected as members of the Board of Directors. Hilde Furberg was also elected as a new member of the Board of Directors.

Resolution on the remuneration and election of auditor

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors, that the Auditor be paid reasonable remuneration in accordance with the invoice approved by the Company.

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors, to elect the firm of authorised public accountants PricewaterhouseCoopers Oy as auditor until the end of the next Annual General Meeting. PricewaterhouseCoopers Oy has notified the company that APA Panu Vänskä will act as the responsible auditor.

Authorization of the Board of Directors to decide on issuing option rights

The Annual General Meeting resolved to authorise the Board of Directors to resolve on issues of option rights pursuant to Chapter 10 of the Companies Act as follows:

The Board of Herantis seeks authorization from shareholders at the Annual General Meeting to issue a maximum of 975,000 of share options and shares (representing not more than 10% of the Company's outstanding shares at any time) in total for all grants.

The authorization covers planned future grants of options.

The Board of Directors of Herantis believes that any option rights program created pursuant to the authorization would increase and strengthen the employees' dedication to Herantis' operations and improve loyalty to the company and that such program would be beneficial to both the shareholders and Herantis.

Eligibility

New employees are eligible for option grants upon joining the company. Employees will be eligible for an annual option award on a discretionary basis, taking into account overall performance, competitiveness of terms, work responsibility, importance of retention, organization level, and position. The Board of Directors will exercise discretion as to who will receive an equity award in any given year, based on recommendations made by the Remuneration Committee. The Board of Directors intends to grant awards under the plan, on an annual basis. Board members are not eligible to participate.

Grant size and exercise price

The Remuneration Committee shall recommend to the Board the size of the overall option grant. The grant schedule will be determined, and reviewed, on the basis of market competitiveness of the equity component of the compensation package and the overall size of the available option

and share pool approved by shareholders. The exercise price will correspond to 126% of the volume weighted average share price during 10 trading days preceding the grant date.

Employee vesting schedule

Granted share options shall vest and become exercisable over a three-year period, with 1/3 on the first anniversary of the grant date, with an annual vesting of 1/3 during the second year after the grant date, and with an annual vesting of 1/3 during the third year after the grant date.

The options expire five years after the grant date. In the case of termination of employment, the employee will not vest further share options beyond notice of termination. Unless special circumstances dictate otherwise, the terminated employee can, as a general rule, exercise vested options no later than the expiry of the first exercise period following the notice of termination (unless a later date has been resolved by the Board). Options not exercised prior to the above deadline will lapse.

The Board of Directors is authorized to resolve on all other terms for the issuance of the option rights entitling to shares.

The proposed authorization does not invalidate any earlier authorizations entitling the Board of Directors to decide on issues of special rights entitling to shares.

The authorization is valid until the close of next annual general meeting, however no longer than until 30 June 2022.

Authorization of the Board of Directors to decide on issuing shares

The Annual General Meeting resolved to authorise the Board of Directors to resolve on issues of shares as follows:

The shares issued under the authorization may be new shares or treasury shares. Under the authorization, a maximum of 975,000 shares, which corresponds to approximately 10 per cent. of all of the shares currently issued and outstanding, may be issued. The shares may be issued in one or more tranches.

Under the authorization, the Board of Directors may resolve upon issuing new shares to the Company itself. However, the Company, together with its subsidiaries, may not at any time hold more than 10 per cent. of all its registered shares.

The Board of Directors is authorized to resolve on all terms of the share issue. The Board of Directors is authorized to resolve on a directed share issue in deviation from the shareholders' pre-emptive rights, provided that there is a weighty financial reason for the Company to do so.

The proposed authorization does not invalidate any earlier authorizations entitling the Board of Directors to decide on share issues or issues of special rights entitling to shares.

The authorization is valid until the close of next annual general meeting, however no longer than until 30 June 2022.

Decisions of the constitutive meeting of the Board of Directors

In its constitutive meeting held after the Annual General Meeting, the Board of Directors elected Timo Veromaa as Chairman of the Board and Frans Wuite as Vice Chairman of the Board.

The Board of Directors also resolved on the composition of the Board Committees in its constitutive meeting.

Aki Prihti was elected as the Chairman, and Mats Thorén and Hilde Furberg were elected as members of the Audit Committee.

Timo Veromaa was elected as the Chairman, and Frans Wuite and James Phillips were elected as members of the Remuneration Committee.

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About Herantis Pharma Plc

Herantis focuses on disease modifying therapies for debilitating neurodegenerative diseases by restoring the neuronal protective mechanism of proteostasis, a key system in neurodegenerative disease. Proteostasis regulates proteins within the body and influences the fate of every protein from synthesis to degradation. Its failure results in a vicious cycle of pathological accumulation of protein aggregates, neuroinflammation and various forms of cellular stress that is widely implicated with the development of many neurodegenerative diseases including Parkinson's Disease, Alzheimer's and other diseases. CDFN is a natural protein that occurs naturally in the body whose natural role is to protect neurons by balancing and supporting proteostasis, thereby preventing and counteracting disease generating mechanisms. Herantis is taking this natural ability and harnessing it as a treatment for neurodegenerative disease. CDFN – a biological protein – is Herantis' lead program and a clinical stage asset; and xCDFN (a synthetic peptide version of CDFN) is Herantis' follow-on program. Both CDFN and xCDFN, via their multimodal mechanism of action, have the potential to improve neuronal survival and stop the progression of Parkinson's

and other neurodegenerative diseases with a significant therapeutic impact on the quality of patients' lives.

The shares of Herantis are listed on the Nasdaq First North Growth Market Finland and Nasdaq First North Growth Market Sweden. For more information, please visit <https://www.herantis.com>