

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

Remuneration report 2024

Introduction

This remuneration report describes how the guidelines for remuneration to senior executives of EQL Pharma AB ("**EQL Pharma**"), adopted by the annual general meeting 2023, were implemented during the financial year 2024/2025. The report also provides information on remuneration to the CEO and a summary of EQL Pharma's outstanding share-related and share price-related incentive programs. The report has been prepared in accordance with the Swedish Companies Act and the *Remuneration Rules* issued by the Swedish Stock Market Self-Regulation Committee.

Further information on the remuneration to senior executives can be found in note K9 (Employees, Personnel Costs and Fees to Board Members) on pages 64-66 in the annual report for the financial year 2024/2025. Information on the work of the Remuneration Committee during the financial year 2024/2025 is set out in the corporate governance report available on pages 41-42 in the annual report for the financial year 2024/2025.

Remuneration to the board of directors is not covered by this report. Such remuneration is resolved upon annually by the annual general meeting and is disclosed in note K9 on pages 64-66 in the annual report for the financial year 2024/2025.

Developments during the financial year 2024/2025

The CEO summarizes the company's overall performance in his statement on pages 8-10 in the annual report for the financial year 2024/2025.

The Company's remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified personnel. To this end, the company must offer competitive remuneration on market terms. The company's remuneration guidelines enable the company to offer executives a competitive total remuneration on market terms. According to the remuneration guidelines, remuneration to senior executives may consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. They may be individualized quantitative or qualitative objectives. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

During the financial year 2024/2025, the company has complied with the applicable remuneration guidelines adopted by the general meeting in 2023. No deviations from the guidelines have been made and no derogations from the procedure for implementation of the guidelines have been made. The auditor's report regarding the company's compliance with the guidelines is available on the company's website, <https://investor.eqlpharma.com/en/corporate-governance/general-meetings/>. No remuneration has been reclaimed. In addition to the remuneration covered by the remuneration guidelines, the general meetings of the company have resolved to implement long-term share-related incentive programs.

*Table 1 - Total remuneration to the CEO for the financial year 2024/2025 (KSEK)**

Name of director (position)	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
	Base salary ¹⁾	Other benefits ²⁾	One-year variable	Multi-year variable	Extraordinary items	Pension expense ³⁾	Total remuneration	Proportion of fixed and variable remuneration
Axel Schörfling (CEO)	1,771	196	620	0	0	314	2,901	79/21

* The table accounts for compensation due as at the financial year 2024/2025, regardless of whether or not payment was made in that year.

¹⁾ Including holiday pay.

²⁾ Refers to car benefit.

³⁾ Pension expense (column 4), which is in its entirety related to Base salary and is premium defined, has been accounted entirely as fixed remuneration.

Share-based remuneration

Outstanding share-related and share price-related incentive programs

The company has implemented five share-related incentive programs, which are presented below.

Warrant program 2021/2025 I

The annual general meeting on 17 August 2021 resolved to implement a long-term incentive program in the form of a warrant program for two senior executives and one key employee in the company (the "**Warrant Program 2021/2025 I**") by the issuance of a maximum of 142,000 warrants. The warrants were issued at market value, which was determined by an independent valuation institute, using the Black & Scholes model, to SEK 2.23. Allotment of all 142,000 warrants was made on 1 September 2021 and subsequently 30,000 warrants have been repurchased by the company from one of the participants in May 2022. The subscription price for the warrants amounts to SEK 72.05 per share. The warrants can be exercised during the period from and including 1 September 2025 up to and including 30 September 2025. In case all warrants held by participants in the Warrant Program 2021/2025 I are exercised for subscription of shares in September 2025, a total of 112,000 shares will be issued, which corresponds to a dilution of approximately 0.38 per cent.

Warrant program 2021/2025 II

The extraordinary general meeting on 10 December 2021 resolved to implement a long-term incentive program in the form of a warrant program for the company's CEO (the "**Warrant Program 2021/2025 II**") by the issuance of a maximum of 400,000 warrants. The warrants were issued at market value, which was determined by an independent valuation institute, using the Black & Scholes model, to SEK 1.35. Allotment of all 400,000 warrants was made on 10 December 2021 and the subscription price for the warrants amounts to SEK 67.50 per share. The warrants can be exercised during the period from and including 1 September 2025 up to and including 30 September 2025. In case all warrants held by participants in the Warrant Program 2021/2025 II are exercised for subscription of shares in September 2025, a total of 400,000 shares will be issued, which corresponds to a dilution of approximately 1.36 per cent.

Warrant program 2022/2027

The extraordinary general meeting on 26 October 2022 resolved to implement a long-term incentive program in the form of a warrant program for the Company's COO (the "**Warrant Program 2022/2027**") by the issuance of a maximum of 70,000 warrants. The warrants were issued at market value, which was determined by an independent valuation institute, using the Black & Scholes model, to SEK 2.76. Allotment of all 70,000 warrants was made on 22 December 2022 and the subscription price amounts to SEK 52.50 per share. The warrants can be exercised during the period from and including 1 June 2027 up to and including 30 June 2027. In case all warrants held by participants in the Warrant Program 2022/2027 are exercised for subscription of shares in June 2027, a total of 70,000 shares will be issued, which corresponds to a dilution of approximately 0.24 per cent.

Warrant program 2023/2028

The annual general meeting on 17 August 2023 resolved to implement a long-term incentive program in the form of a warrant program for the Company's CBDO and COO (the "**Warrant Program 2023/2028**") by the issuance of a maximum of 150,000 warrants. The warrants have been issued at market value, which was determined by an independent valuation institute, using the Black & Scholes model, to SEK 1.77. Allocation of all 150,000 warrants was made on 31 August 2023 and the subscription price amounts to SEK 56.37 per share. The warrants can be exercised during the period from and including 1 June 2028 up to and including 30 June 2028. In case all warrants held by participants in the Warrant Program 2023/2028 are exercised for subscription of shares in June 2028, a total of 150,000 shares will be issued, which corresponds to a dilution of approximately 0.51 per cent.

Warrant program 2024/2028

The annual general meeting on 19 August 2024 resolved to implement a long-term incentive program in the form of a warrant program for the Company's CEO (the "**Warrant Program 2024/2028**") by the issuance of a maximum of 100,000 warrants. The warrants have been issued at market value, which was determined by an independent valuation institute, using the Black & Scholes model, to SEK 1.94. Allocation of all 100,000 warrants was made on 23 August 2024 and the subscription price amounts to SEK 111.93 per share. The warrants can be exercised during the period from and including 21 February 2028 up to and including 6 March 2028. In case all warrants held by participants in the Warrant Program 2024/2028 are exercised for subscription of shares in March 2028, a total of 100,000 shares will be issued, which corresponds to a dilution of approximately 0.34 per cent.

Application of performance criteria

The performance criteria for the CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behaviour which is in the long-term interest of the company. In the selection of performance criteria, the strategic objectives and short-term and long-term business priorities for the financial year 2024/2025 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the company's values.

Table 2 - Performance of the CEO during the reported financial year: variable cash remuneration

Name of director (position)	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3 a) Measured performance; and b) actual award / remuneration outcome
Axel Schörling (CEO)	Financial targets, of which 33% relates to sales in the current financial year compared to budget, 33% relates to EBITDA in the current financial year compared to budget, and 33% relates to budgeted sales and budgeted EBITDA in the next financial year.	70 %	a) 49 % b) KSEK 441
	Individual targets – MSEK 70 in so-called gross margin 2 in new business, as well as understanding the long-term profitability better, focusing on operating expenses, and improving investment analysis so that scalability can be proven.	30 %	a) 13 % b) KSEK 117

Comparative information on the change of remuneration and company performance

*Table 3 – Change of remuneration and company performance over the last five reported financial years (RFY) (KSEK)**

	RFY 2024/2025	RFY 2023/2024
CEO remuneration	2,901 (+28%)	2,262
Group operating profit	67,370 (+107%)	32,615
Average remuneration on a full time equivalent basis of employees ¹⁾ in the EQL Group	895 (+20%)	744

*As of the financial year 2023/2024, which is the first financial year for this type of remuneration report. EQL Pharma has not previously produced information on previous financial years in this regard, but such will be reported in future remuneration reports for each financial year for comparison.

¹⁾ Excluding members of the executive management.

Lund in July 2025

The Board of Directors of EQL Pharma AB (publ)