

CAMURUS AB (PUBL)

Proposal by the Board of Directors on the implementation of a Performance Share Plan 2025/2028 in accordance with A and delivery arrangements in respect thereof in accordance with B.1 or B.2

The Board of Directors of Camurus AB ("**Camurus**") proposes that the 2025 annual general meeting ("**AGM**") resolve on the implementation of a Performance Share Plan 2025/2028 (the "**PSP**"), giving all employees of the Camurus group the opportunity of becoming shareholders in Camurus. In order to secure the obligations of Camurus to deliver shares to participants under the PSP, the Board of Directors further proposes that the AGM resolve on delivery arrangements. The Board of Directors' proposal for the PSP is set out in A. below, and the proposal for the delivery arrangements is set out in B. below.

A. Proposal on the implementation of the Performance Share Plan 2025/2028

Background and reasons

Since 2016, the AGM of Camurus has resolved on annually recurring incentive programs based on subscription warrants and since 2021 employee stock options. Ahead of the 2024 AGM, the Board of Directors conducted an evaluation and decided to propose the establishment of a Performance Share Plan for all employees in the Camurus group. The Board's proposal for the PSP essentially corresponds to the structure of the Performance Share Plan adopted by the 2024 AGM.

The Board of Directors believes that the introduction of an all-employee Performance Share Plan that rewards the delivery of Camurus' key strategic objectives and shareholder value creation is important to motivate, attract and retain Camurus employees during the next phase of growth in Sweden and internationally. The PSP is designed to strengthen the alignment of interests of the group's employees with those of the shareholders and thus encourage long-term commitment to and employee shareholding in the Camurus group.

As the Board of Directors believes that a long-term share ownership is an important way to create alignment of interests between the executive group management and Camurus' shareholders, the executive group management of Camurus will be subject to a shareholding requirement which obligate them to retain a portion of any gross shares delivered under the PSP and any subsequent performance share program.

The Board of Directors' intention is that the structure of the PSP should be long-term and recurring. Accordingly, the Board of Directors intends to propose forthcoming AGMs to approve similar incentive programs.

Terms and conditions for the PSP

- i. It is proposed that the PSP shall comprise all employees in the Camurus group, approximately 340 employees (jointly, the "**Participants**").
- ii. The PSP shall comprise a maximum of 240,000 shares in Camurus, of which 213,000 can be allocated to Participants (the "**Performance Shares**"). The remaining 27,000 shares in Camurus are such shares that may be transferred by Camurus in order to cover the cash flow effects associated with the PSP, primarily social security charges.
- iii. Subject to satisfaction of the conditions set out below, the Participants will be entitled to allocation of Performance Shares free of charge, from Camurus or from a designated third party, after the expiration of a three-year vesting period (subject to certain exemptions) starting on the date Camurus grants the PSP Awards (as defined below) to the Participants (the "**Vesting Period**").
- iv. The number of Performance Shares that may be allocated to the Participants after the expiration of the Vesting Period will be established according to the following. Each Participant will at commencement of the Vesting Period, free of charge, receive a conditional award of Performance Shares (an "**PSP Award**"). The PSP Award will amount to the number of

Performance Shares that corresponds to the value (the “**PSP Award Value**”) per Participant as set out in the table below.

Category (current number of Participants per level)	PSP Award Value per Participant (SEK)
a) CEO	5,000,000
b) CFO and Chief Commercial Officer	2,000,000
c) Other senior executives (8 persons)	750,000
d) Business Unit Head, Global Manager and General Manager (36 persons)	600,000
e) Country managers, senior specialists and regional key employees (62 persons)	475,000
f) Other specialists (36 persons)	250,000
g) Sales function (119 persons)	175,000
h) Other employees (69 persons)	125,000

- v. The share price used to calculate the number of underlying Performance Shares that each PSP Award entitles to shall be the volume-weighted average price paid (“**VWAP**”) for the Camurus share on Nasdaq Stockholm during the six trading days between 16-23 May 2025. When calculating the number of Performance Shares, rounding off shall be made to the closest whole number of Performance Shares.
- vi. Allocation of the PSP Awards is expected to take place shortly after the 2025 AGM. For subsequent new employees of the Camurus group, allocation of PSP Awards can be made until the company’s 2026 AGM and

shall in such case be made in accordance with the allocation principles in the table above.

- vii. Dependent on the achievement of the performance conditions in viii. below, the number of Performance Shares allocated to the Participants after expiration of the Vesting Period may amount to between 0% and 120% of the PSP Award. However, the total value of the Performance Shares at the end of the Vesting Period may not exceed 240% of the PSP Award Value (as defined above), and the number of Performance Shares allocated shall in such case be reduced accordingly. Further, should there be a decline in the price of the Camurus share such that the number of Performance Shares that the PSP Award entitles to, calculated based on the VWAP for the Camurus share on Nasdaq Stockholm during the six trading days between 16-23 May 2025 (as set out in v. above), exceeds the aggregated maximum number of Performance Shares for the PSP as a whole set out in ii. above, the number of Performance Shares that each PSP Award entitles to will be reduced proportionately.
- viii. The allocation of Performance Shares is subject to the achievement of performance conditions relating to (a) absolute compounded TSR¹ increase between the 2025 AGM and 2028 AGM, which is weighted 50%, and (b) Camurus' revenue growth, where the revenue (as reported) for the financial year 2024 is compared to the revenue (as reported) for the financial year 2027, which is weighted 50%, ((a) and (b) jointly, the **"Performance Conditions"**).

The Performance Conditions include a minimum level which must be exceeded in order for any Performance Shares at all to be allocated, a target level, and a maximum level in excess of which no additional Performance Shares will be allocated. Should the minimum level be exceeded, a proportionate number of Performance Shares will be allocated between the minimum level and target level and should the

¹ Total Shareholder Return, where the initial share value is calculated as the VWAP during the six trading days between 16-23 May 2025 and the ending share value is calculated as the VWAP during six trading days in connection with the end of the Vesting Period, added with any dividends distributed during the period.

target level be exceeded, a proportionate number of Performance Shares will be allocated between the target level and the maximum level.

The minimum, target and maximum levels for Performance Condition (a) are set out below, where the fulfilment of the TSR Performance Condition will be measured on the basis of the required compounded TSR increase over three years.

Performance level	Minimum	Target	Maximum
Required TSR increase, p.a.	3.20%	7.50%	12.00%
Required compounded TSR increase, 3 years	10%	24%	40%
Outcome, % of target	0%	100%	120%

The minimum, target and maximum levels for Performance Condition (b) will be set by the Board of Directors prior to commencement of the PSP. This target is considered commercially sensitive and will be disclosed retrospectively. Information about the minimum, target and maximum levels for (b), as well as the outcome of the Performance Conditions (a) and (b), will be provided in the annual report for the financial year 2028.

- ix. Allocation of Performance Shares is, subject to the below, conditional upon the Participant retaining employment within the Camurus group over the entire Vesting Period, unless so called good leaver rules apply. The allocation of Performance Shares to a good leaver will be proportionately adjusted for time served during the Vesting Period and the extent to which the Performance Conditions have been achieved by the time the employment terminated.
- x. The number of Performance Shares shall be subject to recalculation in the event of any intervening bonus issue, split, reverse split, rights issue, and/or other similar corporate actions. The same shall apply for the

distribution of a dividend (or distribution of other assets). In the event of a share split, reverse share split, a merger with or into another company or a demerger of the company, the TSR scale shall be subject to adjustment.

- xi. The Board of Directors shall be entitled to make adjustments to the terms of the PSP, if it so deems appropriate, should changes occur in the company or its operating environment that would entail that the terms and conditions of the PSP are no longer appropriate or in line with the original purpose. Any such adjustments shall only be made in order to fulfil the main objectives of the PSP.
- xii. The Board of Directors shall be entitled to reduce the number of Performance Shares that are subject to allocation or, wholly or partially, terminate the PSP in advance if significant changes in the group or in the market occur which, in the opinion of the Board of Directors, would result in a situation where the conditions for allocation of Performance Shares become unreasonable. In the event that allocation of Performance Shares has been made based on misstated information, or if actions have been taken by a Participant which could result in material damage to the group's reputation, the Board of Directors may decide to reclaim whole or a part of the allocated Performance Shares for such Participant.
- xiii. The members of the executive group management of Camurus (allocation categories (a)-(c)) shall be obligated to retain 25% of the gross shares allocated to them under the PSP until their total shareholding in Camurus as a result of participation in the PSP or any subsequent performance share program reaches a value corresponding to 50% of their respective annual gross base salary.
- xiv. Participation in the PSP presupposes that such participation is legally possible in the various jurisdictions concerned and that the administrative costs and financial efforts are reasonable in the opinion of the Board of Directors. The Board of Directors shall be entitled to make such local adjustments of the PSP that may be necessary or appropriate to implement it with reasonable administrative costs and financial efforts in the concerned jurisdictions, including, among other things, to offer cash settlement.

- xv. The Board of Directors shall be responsible for the further design and administration of the PSP within the framework of the above stated main terms and conditions.

Estimated costs, effects on key ratios and dilution

The costs for the PSP, which will impact the income statement, are calculated according to the accounting standard IFRS 2 and distributed over the Vesting Period. Based on a share price of SEK 600 at grant of the PSP Award, the total effect of the PSP on the income statement, including social security charges, is estimated to range between SEK 135-162 million, depending on the achievement of the Performance Conditions for the PSP (target to maximum level), distributed over the years 2025–2028.

The total value for the Participants at allocation of Performance Shares is capped at approximately SEK 251 million. The cap will apply in case the value of the Performance Shares at the end of the Vesting Period exceeds the PSP Award Value by 240% or more.

The estimated annual costs of between SEK 45-54 million correspond to approximately 9-11% of the group's total employee costs for the financial year 2024.

Assuming full allocation of Performance Shares, the maximum number of shares under the PSP amounts to 213,000 shares in Camurus, corresponding to a dilution effect of approximately 0.36% of the number of shares and votes. Aggregated with the 27,000 shares that may be transferred in order to cover the cash flow effects associated with the PSP, primarily social security charges, the maximum dilution effect of the PSP amounts to approximately 0.41% of the number of shares and votes.

The Performance Share Plan adopted by the 2024 AGM (PSP 2024/2027) involved the issuance of 240,000 series C shares, which were subsequently converted into common shares, resulting in a dilution of approximately 0.42%. In addition, the company has two ongoing employee stock option programs (ESOP2022/2026 and ESOP2023/2026). The total maximum future dilution as a result of

ESOP2022/2026 and ESOP2023/2026 amounts to 1.75% of the number of shares and votes.²

Preparation of the proposal

The PSP has been initiated by the Board of Directors and prepared in consultation with external advisors, taking into account market practice for multinational biopharmaceutical companies along with corporate governance best practice requirements. The PSP has been processed and discussed at Board meetings in 2025.

B. Delivery arrangements

The Board of Directors has considered different methods for delivery of shares under the PSP to the Participants. For this purpose, the Board of Directors proposes that the AGM i) resolves on a directed issue of redeemable and convertible series C shares, and ii) authorize the Board of Directors to resolve on the repurchase of all issued redeemable and convertible series C shares.

Following conversion to common shares in Camurus, the shares are intended to be transferred to the Participants as well as transferred on a regulated market in order to cover the cash flow effects associated with the PSP, primarily social security charges. For this purpose, the Board of Directors further proposes that the AGM iii) resolves on transfer of own common shares free of charge to the Participants.

Should the majority required for the resolutions in B.1.I-III below not be reached, the Board of Directors proposes that Camurus shall be able to enter into an equity swap agreement with a third party in accordance with B.2 below.

The detailed conditions for the Board of Directors' proposal are set out below.

1. Resolution on a directed issue of redeemable and convertible series C shares, authorization for the Board of Directors to resolve on the

² Calculated on the basis of the number of employee stock options allocated and the number of subscription warrants issued to cover associated costs (such as social security charges) in accordance with the terms and conditions of each program. For further information, please refer to item *D. Other* below.

repurchase of all issued series C shares and resolution on transfer of own common shares to the Participants

I. Resolution on a directed issue of redeemable and convertible series C shares

The issue shall be effected on the following terms and conditions:

- a) The maximum number of series C shares to be issued shall amount to 240,000 and the share capital shall be increased by a maximum of SEK 6,000.
- b) With deviation from the shareholders' preferential rights, the new shares shall be subscribed for only by an external party who has been informed in advance.
- c) The price to be paid for each new share shall correspond to the share's quota value at the time of subscription.
- d) The new shares shall be subscribed for during the period 27 May – 26 November 2025. Oversubscription is not permitted.
- e) Payment for shares subscribed for shall be effected at subscription of the shares.
- f) The new shares shall not be entitled to any dividend.
- g) The new series C shares shall be subject to restrictions as set forth in Chapter 4, Section 6 (conversion provision) and Chapter 20, Section 31 (redemption provision) of the Swedish Companies Act (SFS 2005:551).

The purpose of the resolution is to secure the undertakings of Camurus according to the PSP and to cover the cash flow effects associated with the PSP, primarily social security charges.

II. Authorization for the Board of Directors to resolve on the repurchase of all issued redeemable and convertible series C shares in Camurus

The Board of Directors shall be authorized to resolve on the repurchase of all issued redeemable and convertible series C shares in Camurus on the following terms and conditions:

- a) Repurchase may be made through a public offer directed to all holders of series C shares in Camurus.
- b) The authorisation may be exercised on one or several occasions until the 2026 AGM.
- c) The maximum number of series C shares to be repurchased shall amount to 240,000.
- d) Repurchase shall be made at a price per share of minimum the quota value applicable at the time of the subscription of shares according to Section B.1.I above and maximum SEK 0.35.
- e) Payment of repurchased shares shall be made in cash.
- f) The Board of Directors shall be authorized to resolve on additional terms and conditions for the repurchase.
- g) Repurchase may also be made of a so-called interim share, designated by Euroclear Sweden AB as a "paid subscription share" (Sw. *Betald Tecknad Aktie* or *BTA*), relating to a series C share.

The purpose of the authorization is to secure the undertakings of Camurus according to the PSP and to cover the cash flow effects associated with the PSP, primarily social security charges.

III. Resolution on transfer of own common shares to the Participants

Transfers of Camurus' own common shares to the Participants may be made on the following terms and conditions:

- a) A maximum of 213,000 common shares in Camurus may be transferred free of charge to the Participants.
- b) Right to acquire common shares in Camurus free of charge shall – with deviation from the shareholders' preferential rights – be granted to each such person within the Camurus group who is a Participant.
- c) Transfers of common shares in Camurus shall be made free of charge at the time and on the other terms that the Participants are entitled to be allocated Performance Shares.
- d) The number of common shares in Camurus that may be transferred under the PSP shall be subject to recalculation in the event of any intervening bonus issue, split, reverse split, rights issue and/or other similar corporate actions.

As the PSP, in principle, is not expected to give rise to any initial social security payments for Camurus (and as a resolution on an authorization for the Board of Directors to resolve on transfer of the company's own shares is valid only until the next AGM), the Board of Directors has decided not to propose to the 2025 AGM to resolve on an authorization for the Board of Directors to resolve on transfer of the company's own common shares on a regulated market in order to cover such payments. However, prior to any transfer of Camurus shares to the Participants, the Board of Directors intends to propose to a later general meeting to resolve on an authorization for the Board of Directors to resolve on transfer of the company's own common shares on a regulated market in order to cover such costs.

IV. Reasons for deviation from the shareholders' preferential rights etc.

The reason for deviation from the shareholders' preferential rights is Camurus' wish to implement the proposed PSP. Therefore, and in light of the above stated, the Board of Directors considers it to be advantageous for Camurus and the shareholders that the Participants are invited to become shareholders in Camurus.

In order to minimize Camurus' costs for the PSP, the subscription price shall equal the share's quota value.

2. Equity swap agreement with a third party

The Board of Directors proposes that the AGM, should the majority required under item B.1.I-III above not be reached, resolve that the expected financial exposure resulting from the PSP may be hedged by Camurus being able to enter into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party, against a fee and in its own name, shall be entitled to acquire and transfer shares in Camurus to the Participants in accordance with the terms and conditions of the PSP.

C. Majority requirements, etc.

The AGM's resolution on the implementation of the PSP according to item A above, is conditional on the AGM resolving in accordance with either of the Board of Directors' proposals under item B.1 or B.2 above. The proposals under items B.1.I-III are conditional upon each other and shall therefore be adopted as one resolution.

The AGM's resolution according to item A above requires a simple majority of the votes cast. A valid resolution under item B.1 above requires that shareholders representing not less than nine-tenths of the votes cast as well as of the shares represented at the AGM approve the resolution. A valid resolution under item B.2 above requires a simple majority of the votes cast.

D. Other

For a description of Camurus' other on-going long-term incentive programs, reference is made to Camurus' annual report for 2024, note 24, which will be available no later than 30 April 2025, and the company's website, www.camurus.com. No other long-term incentive programs than those described herein or in the annual report for 2024, note 24 have been implemented in Camurus.

A reasoned statement of the Board of Directors pursuant to Chapter 19, Section 22 of the Swedish Companies Act has been prepared.

Lund in April 2025
THE BOARD OF DIRECTORS OF CAMURUS AB (PUBL)