

Remuneration report 2025

Introduction

This report describes how the guidelines for remuneration to senior executives of Cinclus Pharma Holding AB (publ), adopted by the Annual General Meeting 2024, were implemented in 2025. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related and share price-related incentive programs. The report has been prepared in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen*) and the *Rules on Remuneration of the Board and Executive Management and on Incentive Programmes* issued by the Stock Market Self-Regulation Committee.

Further information on remuneration for senior executives is available in note 7 (Employees, personnel costs and remuneration to senior executives) on pages 54–55 in the annual report 2025. Information on the work of the remuneration committee in 2025 is set out in the corporate governance report available on page 39 in the annual report 2025.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting and disclosed in note 7 (Employees, personnel costs and remuneration to senior executives) on pages 54–55 in the annual report 2025. However, Peter Unge has, through PetoMaj Invest AB, performed a consulting assignment as a senior advisor to Cinclus Pharma for a total of SEK 1.1 million during 2025. Peter Unge's consulting assignment means that he is a senior advisor to the company. Peter Unge is a medical doctor specialized in gastroenterology. The consultancy agreement with PetoMaj Invest AB expired on January 19, 2026. The Board of Directors has deemed it important and beneficial for Cinclus Pharma to obtain the services in question, for which market-based compensation has been paid.

Developments under 2025

The CEO summarizes the company's overall development in his statement on pages 6–7 in the annual report 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. The company's remuneration guidelines enable the company to offer senior executives a competitive total remuneration. Under the remuneration guidelines, senior executive remuneration shall be on market terms and may consist of the following components: fixed basic pay, variable cash remuneration, pension benefits and other benefits as well as departure conditions. 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.

The guidelines are found on pages 32–33 in the annual report 2025. During 2025 the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been decided 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 www.cincluspharma.com/governance/general-meetings/. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the annual general meetings and extraordinary general meetings of the company have resolved to implement long-term share-related incentive programs.

Table 1 – Total CEO remuneration 2025 (kSEK)

Name of senior executive (position)	1		2		3	4	5	6
	Fixed remuneration		Variable remuneration		Extraordinary items	Pension expense ⁵⁾	Total remuneration	Proportion of fixed and variable remuneration ⁶⁾
Base salary ¹⁾	Other benefits ²⁾	One-year variable ³⁾	Multi-year variable ⁴⁾					
Christer Ahlberg (CEO)	4,208	147	1,034	793	-	1,081	7,263	75%, 25%

¹⁾ Including vacation pay of kSEK 17.

²⁾ Refers to health care benefit, car benefit and travel allowance.

³⁾ Variable remuneration refers to variable bonus based on a fixed proportion of the basic salary. The outcome is based on a vesting period of one year and is dependent on the fulfillment of a combination of pre-established company targets. The maximum outcome for the CEO is 50 percent of fixed annual salary and for other senior executives the maximum variable remuneration is 30 percent of fixed annual salary.

⁴⁾ Corresponds to 700 qualified employee stock options with no value that have vested in QESO 2022 according to IFRS2 regulations. The qualified employee stock options have no value at the vesting date as the share price was lower than the exercise price.

⁵⁾ The pension is defined contribution with a premium of 25 percent of the CEO's fixed monthly remuneration (excluding vacation pay).

⁶⁾ Pension costs (column 4) have been fully recognized as fixed remuneration.

Share-based remuneration

Warrant program (TOP 2021–2022)

During 2022 and 2023, a total of five series of warrants were issued to employees and consultants of the company. The exercise period for the first two series has expired. The warrants in the third and fourth series could be exercised during the period November 25, 2024 – February 25, 2025 and each warrant entitled the participant to subscribe for 80 new ordinary shares in the company at a subscription price of SEK 85 per ordinary share. The warrants in the fifth series could be exercised during the period June 1 – September 1, 2025 and each warrant entitled the participant to subscribe for 80 new ordinary shares in the company at a subscription price of SEK 94.65 per ordinary share. The number of ordinary shares that each warrant entitled the holder to subscribe for, and the subscription price set out above, has been recalculated in accordance with the terms of the warrants due to a completed share split (1:80).

The exercise period for all series of warrants has expired and there are thus no warrants outstanding under TOP 2021–2022.

Qualified employee stock option program (QESO 2022)

At an Extraordinary General Meeting 2022, it was resolved to adopt a qualified employee stock option program (QESO 2022) for employees of the company. A total of 4,450 qualified employee stock options are outstanding under the program. The qualified employee stock options can be exercised during the period January 1, 2026 – December 31, 2027, provided that the participant was still employed as of December 31, 2025 and that other conditions under the Swedish Income Tax Act (Sw. *inkomstskattelagen*) are met. Each qualified employee stock option entitles the participant to acquire 80 new ordinary shares in the company at a price of SEK 47.325 per ordinary share. The number of ordinary shares that each employee stock option entitles the holder to subscribe for, and the subscription price set out above, has been recalculated in accordance with the terms of the employee stock options due to a completed share split (1:80).

Qualified employee stock option program (QESO 2024)

At the Annual General Meeting 2024, it was resolved to adopt a qualified employee stock option program (QESO 2024) for employees of the company. A total of 51,737 qualified employee stock options are outstanding under the program. The qualified employee stock options can be exercised during the period April 10, 2027 – April 9, 2029, provided that the participant is still employed and that other conditions under the Swedish Income Tax Act (Sw. *inkomstskattelagen*) are met. Each qualified employee stock option entitles the participant to acquire one new ordinary share in the company at a price of SEK 47.325 per ordinary share.

Employee Stock Option Program (ESOP 2024)

At an Extraordinary General Meeting 2024, it was resolved to adopt an employee stock option program (ESOP 2024) for the CEO and a consultant of the company. A total of 290,000 stock options are outstanding under the program. The stock options can be exercised during a two-week period, starting from the date of publication of the company's Q2 2027 report, provided that the participant is still employed or providing consulting services. Each employee stock option entitles the participant to acquire one new ordinary share in the company at a price of SEK 54.60 per ordinary share. The participants also have the right to request that an alternative so-called net share settlement method be applied when subscribing for shares by exercising the employee stock options. Net share settlement means that options are settled through a free transfer of the number of ordinary shares corresponding to the option value to the participants without payment of the exercise price.

Performance share program (PSP 2024)

At an Extraordinary General Meeting 2024, it was resolved to adopt a performance share program (PSP 2024) for employees of the company. Subject to the participants having invested in and allocated ordinary shares, so-called investment shares, to the program, the participants were granted matching rights, entitling them to receive one matching share free of charge, and performance rights, entitling the participants to receive one performance share free of charge, subject to certain performance conditions. The vesting period is three years, and the exercise of matching rights and performance rights is conditional upon the participant having retained their investment shares and remaining employed within the group. The performance rights entitle the CEO to a maximum number of performance shares of 1-6 per investment share and other participants to 1-4 per investment share, depending on whether the total shareholder return (TSR) on Cinclus Pharma's ordinary share equals or exceeds 20 percent or equals or exceeds 60 percent during June 20, 2024 – June 2027. Between these levels, performance shares are received on a straight-line basis. In addition, the CEO is entitled to two additional performance shares per investment share if the average share price of the company's ordinary share during June 2027 amounts to or exceeds SEK 75. The maximum value per matching right and performance right is limited to SEK 252.

Table 2 – Share option programs

Name of senior executive (position)	The main conditions of share option programs							Information regarding the reported financial year ¹⁾					
	1	2	3	4	5	6	7	Opening balance	During the year		Closing balance		
	Name of program	Performance period	Award date	Vesting date	End of retention period	Exercise period	Exercise price (SEK)	Share options held at beginning of year	Share options awarded during the year	Share options vested during the year	Share options subject to performance condition	Share options awarded and unvested	Share options subject to retention period
Christer Ahlberg (CEO)	QESO 2022 ²⁾	2022 – 2025	2022-12-31	2025-12-31	2026-01-01	2026-01-01 – 2027-12-31	47,325	700	0	700 ³⁾	0	0	0
	QESO 2024	2024 – 2027	2024-04-09	2027-04-09	2027-04-10	2027-04-10 – 2029-04-09	47,325	7,391	0	0	7,391	7,391	7,391
	ESOP 2024	2024 – 2027	2024-07-01	Publication of the Q2 report 2027	Publication of the Q2 report 2027	2 weeks after publication of the Q2 report 2027	54.60	200,000	0	0	200,000	200,000	200,000

¹⁾ As of 31 December 2025, the 700 qualified employee stock options held by the CEO in QESO 2022 were vested. In 2025, there were no changes in respect of QESO 2024, in which the CEO holds 7,391 qualified employee stock options. In 2025, there were no changes in respect of ESOP 2024, in which the CEO holds 200,000 employee stock options.

²⁾ After recalculation due to a completed share split (1:80), each qualified stock option in QESO 2022 entitles the participant to acquire 80 new ordinary shares in the company. The 700 qualified stock options held by the CEO under QESO 2022 entitle to the acquisition of a total of 56,000 ordinary shares in the company.

³⁾ The qualified employee stock options have no value at the vesting date as the share price was lower than the exercise price.

Table 3 – Share award programs

Name of senior executive (position)	The main conditions of share award programs					Information regarding the reported financial year ¹⁾					
	1 Name of program	2 Performance period	3 Award date	4 Vesting date	5 End of retention period	Opening balance	During the year		Closing balance		
						6 Share awards held at beginning of year	7 Share awards awarded during the year	8 Share awards vested during the year	9 Share awards subject to performance condition	10 Share awards awarded and unvested at year end	11 Shares subject to retention period
Christer Ahlberg (CEO)	PSP 2024	2024 – 2027	2024-07-01	Publication of the Q2 report 2027	Publication of the Q2 report 2027	Matching rights: 11,600 Performance rights: 92,800 ²⁾	0	0	Matching rights: 11,600 Performance rights: 92,800	Matching rights: 11,600 Performance rights: 92,800	0

¹⁾ In 2025, there were no changes in respect of PSP 2024, in which the CEO holds 104,400 rights (11,600 matching rights and 92,800 performance rights). Investment shares, in which the CEO has invested to become eligible to participate in PSP 2024, are not included in the table.

²⁾ The total market value of the underlying shares at the time of allocation amounted to SEK 3,288,600, based on the closing price of the ordinary share on July 1, 2024, of SEK 31.50. The maximum value per matching right and performance right is limited to SEK 252 (six times the price of Cinclus Pharma's ordinary share determined in connection with the admission of the ordinary share to trading on Nasdaq Stockholm, SEK 42).

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to execute on the company's strategy and to encourage behavior which is in the long-term interest of the company. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2025 have been considered.

Table 4(a) – Performance of the CEO in the reported financial year: variable cash remuneration

Name of senior executive (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	
Christer Ahlberg (CEO)	Organization	5%	a) 5%	b) 101 kSEK
	Recruitment and screening targets	45%	a) 20%	b) 414 kSEK
	Business development targets	25%	a) 25%	b) 519 kSEK
	Pre-clinical and clinical development	25%	a) 0%	b) 0 kSEK
	Total	100%	a) 50%	b) 1 034 kSEK

Table 4(b) – Performance of the CEO in the reported financial year: share-based remuneration

Name of senior executive (position)	Name of program	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	
Christer Ahlberg (CEO)	PSP 2024 ¹⁾	Total shareholder return of at least 20-60%, June 20, 2024 – June 2027	75%		N/A ²⁾
		Average share price of at least SEK 75, June 2027	25%		N/A ²⁾

¹⁾ Matching rights are not included in the table.

²⁾ The vesting and performance period is still running.

Comparative information on the change of remuneration and company performance

Table 5 – Change of remuneration and company performance over the last reported financial years (RFY) (kSEK)¹⁾

	RFY 2025 vs RFY 2024	RFY 2025
Remuneration of the CEO	+1,020 (+16%)	7,263
Group operating profit	-29,919 (-18%)	-199,558
Average remuneration based on the number of full-time equivalent employees ²⁾ in the parent company	297 (+48%)	916

¹⁾ 2024 is the first year that the group applied the requirements to prepare a remuneration report and the financial year 2024 will therefore be the first reference year.

²⁾ Excluding members of the executive management.