



Remuneration report 2025

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Introduction

This report describes how the guidelines for executive remuneration of Xspray Pharma AB, adopted by the annual general meeting 2023, have continued to be applied 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 plans. The report has been prepared in accordance with the Swedish Companies Act and the Stock Market Self-Regulation Committee's Remuneration Rules.

Further information on executive remuneration is available in note 7 (Employees and personnel costs) on pages 69-72 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 pages 32-35 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 on page 69 in the annual report 2025.

Key developments 2025

The CEO summarizes the company's overall performance in his statement on page 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 executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash 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 promoting the executive's long-term development.

The guidelines are found on pages 45-47 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 <https://xspraypharma.com/investors/corporate-governance/compensation/>. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the annual general meetings of the company have resolved to implement long-term share-related incentive plans.

Table 1 - Total CEO remuneration in 2025 (SEK thousand)

Name of director (position)	1 Fixed remuneration		2 Variable remuneration		3 Extraordinary items	4 Pension expense ⁴⁾	5 Total remuneration	6 Proportion of fixed and variable remuneration ⁴⁾
	Base salary ¹⁾	Other benefits ²⁾	One-year variable ³⁾	Multi-year variable				
Per Andersson (CEO)	3,062	112	410	-	-	917	4,502	91/9

¹⁾ Including holiday pay.

²⁾ Company car and health care allowance.

³⁾ Variable remuneration refers to bonuses related to 2025 of 410 kSEK, which will be paid out in 2026.

⁴⁾ Pension expense (column 4), which in its entirety relates to Base salary and is premium defined, has been counted entirely as fixed Remuneration.

Share-based remuneration

Outstanding share-related and share price-related incentive programs

Xspray Pharma has four warrant programs outstanding as of 31 December 2025 (2021/2026, 2023/2026, 2024/2027 and 2025/2028) for employees and certain key individuals.

The warrants were subscribed to market terms at a price (premium) determined based on computed market value of the warrants by an independent valuation institute applying the Black & Scholes valuation model. The warrant programs are subject to three-five years vesting periods and are exercisable during the third/fifth year after the grant.

Input data for each program is presented in Table 2 and refers to the valuation at the time of allocation. The expected volatility is based on historical volatility calculated based on the weighted average remaining term of the stock options, adjusted for any expected changes in future volatility due to officially available information. The expected term of the warrant has been determined considering the expected subscription before the end of the respective program's subscription period and has been assumed to amount to 3-5 years. Expected maturity has been calculated using historical data on how early people in different staff categories have exercised their warrants.

Table 2 - Fair value and assumptions at the time of granting warrants

	Incitamentsprogram				
	2022/2025	2021/2026*	2023/2026	2024/2027	2025/2028
<i>Fair value at grant date</i>					
<i>Share price (SEK)</i>	59.66	88.95	77.50	64.10	-
<i>Volume weighted share price at the exercise price (SEK)</i>	60.10	85.97	44.99	58.77	-
<i>Exercise price (SEK)</i>	132.20	129.00	90.00	117.50	-
<i>Expected volatility (%)</i>	45	35	45	45	45
<i>Share option term (years)</i>	3.15	5.1	3.16	3.05	3.1
<i>Expected dividend</i>	0	0	0	0	0
<i>Risk-free interest rate (%)</i>	1.41	-0.04	2.68	2.70	-

Completed incentive programs

Warrant and employee stock option program (LTIP 2022/2025)

The warrant program LTIP 2022/2025 was decided by the general meeting on 19 May 2022 and included 140,625 warrants and 281,250 employee stock options. The warrant program could be exercised during June 15, 2025, and July 15, 2025. None of the outstanding warrants were exercised and they have therefore been forfeited during 2025.

Xspray Pharma has decided on a new incentive program, LTIP 2025/2028, during the year. This program was approved at the Annual General Meeting on May 13, 2025. The program includes 154,744 warrants and 309,488 employee stock options linked to the company's value growth, aiming to strengthen the alignment between employees' interests and those of the shareholders.

The program has not yet been implemented, as the implementation has been postponed. Each subscription warrant entitles the holder to subscribe for one new share at a subscription price corresponding to 200 percent of the volume-weighted average price during the five trading days preceding the offer to subscribe for the options. The maximum dilution amounts to approximately 1.11 percent of the current number of shares.

*The CEO is not included in program LTIP 2021/2026.

Table 3 - Overview of warrant programs (CEO)

Name of director (position)	The main conditions for the warrant programmes							Information regarding the reported financial year					
	1	2	3	4	5	6	7	Opening balance	During the year		Closing balance		
								8	9	10	11	12	13
Name of plan	Performance period	Award date	Vesting date	End of retention period	Exercise period	Exercise price (SEK)	Warrants held at beginning of year	Warrants awarded	Warrants vested	Warrants subject to performance condition	Warrants awarded and unvested	Warrants subject to retention period	
Per Andersson (CEO)	2023/2026	2023-2026	2023-05-16	2026-06-15	2026-07-15	2026-06-15 2026-07-15	90.00	113,490	-	-	-	113,490	E. T
	2024/2027	2024-2027	2023-05-21	2027-05-24	2027-06-11	2027-05-24 2027-06-11	117.50	155,247	-	-	-	155,247	E. T
	2025/2028	2025-2028	-	-	-	-	-	-	-	-	-	-	E. T
Total								268,737	-	-	-	268,737	

* During the financial year, the 2022/2025 program expired, with no options exercised as the strike price was lower than the share price.

** Of the 268,737 allocated options, 89,579 consist of warrants and 179,158 of employee stock options.

Application of performance criteria

The performance measures 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 measures, the strategic objectives, and short-term and long-term business priorities for 2025 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the company values. The criteria may be linked to the development of the company's share price and / or the development and progress of the company's product candidates. They can also consist of individually tailored quantitative or qualitative goals.

When the measurement period for meeting the criteria for payment of variable cash compensation has ended, it must be assessed / determined to what extent the criteria have been met. The Remuneration Committee is responsible for the evaluation of remuneration to senior executives, including the CEO. Regarding financial targets, the assessment shall be based on the most recently published financial information by the company.

Table 4 - Performance of the CEO in 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
Per Andersson (CEO)	Projects	80%	a) 32% b) 279 KSEK
	Business development & Other	20%	a) 15% b) 131 kSEK
			a) 47% b) 410 KSEK

Comparative information on the change of remuneration and company performance

Table 5 - Changes of remuneration and company performance over the last five reported financial years (RFY) (kSEK)

Since this is Xspray Pharma's fifth remuneration report, the information in the table below pertains only to the 2022, 2023, 2024 and 2025 financial years.

(kSEK)	RR-2 vs RR-3	RR-1 vs RR-2	RR vs RR-1	RR 2024
CEO remuneration	+332 (+9%)	+393 (+8%)	+225 (+5%)	4,502
Group operating profit before tax	-48,014 (+36%)	-105,990 (+59%)	+114,128 (-40%)	-171,546
Average remuneration on a full-time equivalent basis of employees ¹⁾ of the parent company	+14 (+1%)	-46 (-5%)	-54 (-6%)	861

¹⁾ Excluding members of the group executive management. The remunerations consists of base salary, other benefits, variable remuneration and pension expense, which is equal as the remuneration to CEO (Table 1). The average remuneration has been calculated by dividing the total remuneration with the average number of full-time employees in the parent company, excluding the group executive management.

Appendix 1

Warrant program

The Company has, as of December 31, 2025, three series of warrants outstanding under incentive programmes granted to employees and certain key personnel, with the aim of creating a stronger alignment between the interests of employees and shareholders. An additional incentive programme was approved at the Annual General Meeting on May 13, 2025, but has not yet been allocated to employees.

Warrant and employee stock option program LTIP 2022/2025 (Completed)

The program was decided by an Extraordinary General Meeting on May 19, 2022. The program included 140,625 warrants and 281,250 employee stock options that could be exercised from June 15, 2025, until July 15, 2025, with a subscription price of SEK 132.20 per share. The program was pegged to the company's growth in value for the purpose of creating a stronger link between employee and shareholder interests. The warrants were issued on market terms and no subsidy was used. During the year, 0 warrants and 0 employee stock option were redeemed owing to terminations of employment. There is a maximum dilution effect of 0.98 percent on the current number of shares. None of the outstanding options were exercised and, accordingly, all such options were forfeited during 2025.

Warrant program LTIP 2021/2026

The warrant program (Chairman LTIP 2021/2026) included the company's new Chairman of the Board. The value per warrant was calculated to be SEK 16.38 and the subscription price per share to be SEK 129.00. The program runs for five years and encompasses 13,214 warrants. The warrants can be exercised in the period May 25, 2026, to June 15, 2026. If the warrant holder's assignment ends during the program's term, the warrants will be redeemed proportionately based on the term remaining in relation to the program's original term. No subsidy was paid.

Warrant and employee stock option program LTIP 2023/2026

The program was resolved on at the Annual General Meeting on May 16, 2023. The program includes 94,576 warrants and 189,152 employee stock options that can be exercised from June 15, 2026, until July 15, 2026, with a subscription price of SEK 90.00 per share. The value per warrant was estimated to be SEK 5.52. The program is pegged to the company's growth in value for the purpose of creating a stronger link between employee and shareholder interests. The warrants were issued on market terms and no subsidy was used. During the year, 2,716 (5,118) warrants and 10,272 (10 236) employee stock options were redeemed owing to terminations of employment. There is a maximum dilution effect of 0.61 (0.72) percent on the current number of shares.

Warrant and employee stock option program LTIP 2024/2027

The program was decided at the ordinary Annual General Meeting on May 21, 2024. The program encompasses 125,369 warrants and 250,738 employee stock options that can be exercised from May 24, 2027, until June 11, 2027, with a subscription price of SEK 117.5 per share. The value per warrant was estimated to be SEK 9.46. The program is pegged to the company's growth in value for the purpose of creating a stronger link between employee and shareholder interests. The warrants were issued on market terms and no subsidy was used. During the year, 1,620 warrants and 3,804 employee stock options were redeemed owing to terminations of employment. There is a maximum dilution effect of 0.89 percent on the current number of shares.

Warrant and employee stock option program LTIP 2025/2028

The program was decided by the Annual General Meeting on May 13, 2025, and comprises a total of 154,744 subscription warrants and 309,488 employee stock options. The programme has not yet been implemented, as the implementation has been postponed. The options may be exercised during the period from May 22, 2028, up to and including June 14, 2028. Each subscription warrant entitles the holder to subscribe for one new share at a subscription price corresponding to 200 percent of the volume-weighted average price during the five trading days preceding the offer to subscribe for the options. The programme is designed to create a clearer alignment between the Company's value growth and the interests of employees, and the options were issued on market terms with no subsidy granted. The maximum dilution amounts to approximately 1.11 percent of the current number of shares.