

***Proposal to adopt a long-term incentive program based on performance-based share rights for employees at Xspray (item 17)***

The board of directors proposes that the annual general meeting resolves to adopt a long-term incentive program based on performance-based share rights for the CEO, CSO, senior management and key employees of Xspray Pharma (“**PSU 2026**”), in accordance with item 17 (a) below. The decision to adopt PSU 2026 in accordance with item 17 (a) shall further be conditional upon that the general meeting resolves on hedging measures in accordance with item 17 (b) or, if the majority required for resolution in accordance with item 17 (b) is not met, in accordance with the proposal according to item 17 (c) below.

***Proposal to adopt PSU 2026 (item 17 (a))***

*The program in brief*

PSU 2026 is proposed to include the CEO, CSO, senior management and other key employees within the Xspray Pharma group, meaning that a maximum of approximately 8 individuals will be able to participate. Participants will be given the opportunity to receive ordinary shares free of charge within the framework of PSU 2026, so-called “**Performance Shares**”, in accordance with the terms and conditions set out below. Within the framework of PSU 2026, the company may allot participants rights to Performance Shares which means that, subject to certain conditions being met, the right to receive a Performance Share free of charge (“**Share Rights**”).

*The background and rationale for the proposal*

The purpose of PSU 2026 is to provide a competitive remuneration element within the market in which the company operates, to align participants’ motivation with the company’s strategy, to align participants’ performance with value creating activities from a shareholder perspective, and to give participants the opportunity to take part in the company’s success. PSU 2026 has been designed so that the program includes the CEO and CSO as well as both current and future senior management and other key employees.

By offering Share Rights that are based on a combination of both the share price development and strategic goals, the participants are rewarded for increased shareholder value and value-creating measures. PSU 2026 also rewards employees’ continued loyalty and thus the long-term value growth of the company. Further, the board of directors considers that PSU 2026 will have a positive effect on the future development of Xspray Pharma and will consequently be beneficial for both the company and its shareholders.

*Terms and conditions*

A Share Right may be exercised provided that the participant, with certain exceptions, from the start date of PSU 2026 for each participant, up until and including the date three (3) years thereafter (the “**Vesting Period**”), is still employed by the Xspray Pharma group. The last date for the start of PSU 2026 shall be the day before the annual general meeting of Xspray in 2027.

In addition to the requirement for the participant’s continued employment according to the above, the final number of Performance Shares that each participant is entitled to receive shall also be conditional upon the following performance conditions being met during the Vesting Period (together, the “**Performance Conditions**”):

- 30 percent of the Performance Shares are vested after the US launch of Dasynoc or XS003-nilotinib (including first commercial sale of either product) (“**Performance Condition 1**”);

- 20 percent of the Performance Shares are vested after the first NDA submission and approval of a third product, with equal weighting for submission and approval (“**Performance Condition 2**”);
- 25 percent of the Performance Shares are vested if annual gross sales target is met (“**Performance Condition 3**”);
- 25 percent of the Performance Shares are based on a total shareholder return (TSR) metric. If TSR reaches 100 percent or more during the Vesting Period, measured by comparing the volume weighted average share price during the 5 trading days immediately prior to implementation (the “**Starting Share Price**”) with the volume weighted average share price during the 5 trading days immediately prior to the end of the Vesting Period, the Performance Shares are vested (“**Performance Condition 4**”).

Performance Condition 3 has been set by the company’s board of directors, taking into account the company’s business plan, and is deemed to be market-based and appropriate. Detailed information regarding the performance conditions and the outcome of PSU 2026 will be provided following the end of PSU 2026.

This entails that participants will be entitled to 30 percent of the Performance Shares if Performance Condition 1 is achieved, 20 percent of the Performance Shares if Performance Condition 2 is achieved, 25 percent of the Performance Shares if Performance Condition 3 is achieved, and 25 percent of the Performance Shares if Performance Condition 4 is achieved. If the share price does not meet the TSR threshold, no allotment of Performance Shares will be made under Performance Condition 4.

In the event that the Performance Conditions, after the initial allotment, are not considered to be relevant incentives for Share Rights allotted in subsequent allocations under the program, these Performance Conditions may be replaced by other strategic goals for the company subject to the share price baseline being the same as for the initial allocation.

The Share Rights shall, in addition to what is set out above, be governed by the following terms and conditions:

- Share Rights are allotted free of charge no later than the day before the annual general meeting 2027.
- Share Rights vest during the Vesting Period.
- Share Rights may not be transferred or pledged.
- Each Share Right entitles the participant to receive one Performance Share free of charge after the end of the Vesting Period (with certain exceptions where the Vesting Period may be accelerated) if the participant, with certain exceptions, is still employed by the Xspray Pharma group by the end of the Vesting Period.
- The Performance Shares will have a cap on outcome corresponding to 6 times the Starting Share Price. The cap is calculated by comparing the Starting Share Price with the volume weighted average share price during the 5 trading days immediately prior to the end of the Vesting Period. To the extent the value exceeds the cap, the number of Performance Shares each participant receives will be reduced.

*Preparation of the program, design and administration*

The board of directors, or a special committee set up by the board of directors, shall be responsible for preparing the detailed design and administration of the terms and conditions of PSU 2026, in

accordance with the presented terms and guidelines including provisions on recalculation in the event of an in-between bonus issue, share split, rights issue and/or similar measures. In connection therewith, the board of directors shall be entitled to make adjustments to meet specific foreign regulations or market conditions. The board of directors shall also be entitled to make other adjustments if significant changes occur in the Xspray Pharma group or in its environment that would result in that the adopted terms for PSU 2026 no longer fulfils their objectives or the rationale for the proposal including, inter alia, that adjustments may be decided with respect to the terms and conditions for measuring performance, and the basis for such calculation.

#### Allotment of Share Rights

The participants are divided into different categories and, in accordance with the above, the Share Rights under PSU 2026 may be allotted to the following participants in the different categories:

<b>Category</b>	<b>Maximum number of participants (approx.)</b>	<b>Maximum number of Share Rights per category and participant</b>
CEO	1	166,009
CSO	1	101,000
Senior Management	4	137,124
Key personnel	2	72,599

In total, no more than 476,732 Performance Shares may be allotted.

Board members shall not be eligible to participate in PSU 2026.

#### Delivery of Performance Shares and hedging arrangements

The board of directors has considered different methods for transfer of ordinary shares under PSU 2026 in order to implement the program in a cost-effective and flexible manner and to limit dilution. The board of directors has found that a structure based on class C shares is the best option to secure delivery of shares under PSU 2026 and thus proposes that the annual general meeting resolves to introduce a new share class with reclassifiable and redeemable class C shares, to authorise the board of directors to resolve on issuance of new class C shares, to authorise the board of directors to resolve on repurchase of issued class C shares and to resolve on transfer of own ordinary shares to participants and in the market to cover social costs in accordance with item 17 (b) below. If the majority required for resolution in accordance with item 17 (b) is not met, the board of directors proposes that PSU 2026 shall instead be hedged through a resolution to conclude an equity swap agreement in accordance with item 17 (c) below.

#### Scope and costs for PSU 2026

PSU 2026 will be reported in accordance with IFRS 2, which means that the Share Rights will be expensed as non-cash personnel costs over the Vesting Period.

The costs for PSU 2026 are estimated to amount to SEK 10 million, excluding social contributions, accounted in accordance with IFRS 2 based on the following assumptions (i) that 476,732 Share Rights are allotted, (ii) that the share price, at the beginning of PSU 2026, is SEK 29.70 per ordinary share, (iii) that the performance conditions are fully met, and (iv) an estimated annual turnover of personnel of 5 percent. Based on the same assumptions as above, and subject to social contributions of 31.42 percent, and a share price increase of 150 percent from the start of PSU 2026 until the Share Rights are exercised, the costs for social contributions are estimated to amount to SEK 9.5 million.

The total cost in accordance with IFRS 2 for PSU 2026, including social security costs, is therefore estimated at approximately SEK 19.6 million over the three-year Vesting Period, based on the same assumptions.

#### Dilution and effects on key ratios

The current number of outstanding shares in Xspray amounts to 41,742,340, as per the date of this notice. Upon maximum allotment of Share Rights and provided that the hedging arrangements in accordance with item 17 (b) below is adopted, it is estimated that not more than 476,732 ordinary shares will be allotted to participants under PSU 2026, and that approximately 149,790 ordinary shares will be used to secure social contributions arising as a result of PSU 2026, the incremental dilution effect, including shares for social contributions, would amount to approximately 1.48 percent on a fully diluted basis. If all outstanding incentive programmes in the company are included in the calculation, including the now proposed program as well as the proposed Warrant Programme 2026, the maximum dilution amounts to approximately 4.79 percent.

Assuming full subscription in the rights issue announced by Xspray on 24 March 2026, the incremental dilution effect of PSU 2026, including shares for social contributions, would amount to approximately 1.35 percent on a fully diluted basis.

PSU 2026 is expected to have a marginal impact on the company's key ratios. Based on a total of 45,916,574 issued shares following full subscription in the rights issue, the maximum allotment of 476,732 Share Rights represents a dilution of approximately 1.03 percent. The estimated cost under IFRS 2 is limited in relation to anticipated earnings, with minimal cash flow impact at vesting. The program includes a defined cap which further limits the overall exposure.

#### The preparation of the proposal

PSU 2026 has been prepared by the company's board of directors and its Remuneration Committee in consultation with external advisors. PSU 2026 has been discussed by the board of directors at meetings held in March 2026.

#### ***Proposal regarding (i) introduction of a new class of shares by amending the articles of association, (ii) authorisation for the board of directors to resolve to issue new class C shares (iii) authorisation for the board of directors to resolve on repurchase of class C shares, and (iv) transfer of own ordinary shares to participants and in the market (item 17 (b))***

The board of directors has considered different methods for transfer of ordinary shares under PSU 2026 in order to implement the program in a cost-effective and flexible manner and to limit dilution. The board of directors has found that a structure based on class C shares is the best option to secure delivery of shares under PSU 2026 and thus proposes that the annual general meeting resolves to introduce a new share class with reclassifiable and redeemable class C shares, to authorise the board of directors to resolve on issuance of new class C shares, to authorise the board of directors to resolve on repurchase of issued class C shares and to resolve on transfer of own ordinary shares to participants and in the market to cover social costs, each in accordance with items 17 (b) (i)–(iv) below.

All resolutions under item 17 (b) (i)–(iv) are proposed to be conditional upon each other and are therefore proposed to be adopted jointly.

#### ***Introduction of a new class of shares by amending the articles of association (item 17 (b) (i))***

The board of directors proposes that the annual general meeting resolves to amend the articles of association as follows.

An update of § 5 is proposed, whereby issuance of class C shares, reclassification of class C shares to ordinary shares and redemption of class C shares are enabled, and that the preferential rights are regulated.

**Current wording**  
**§ 5 Number of shares**

*The number of shares shall be not less than 19,000,000 and not more than 76,000,000.*

**Proposed wording**  
**§ 5 Number of shares**

*The number of shares shall be not less than 19,000,000 and not more than 76,000,000.*

*Two classes of shares may be issued, ordinary shares and class C shares. The ordinary shares shall carry one vote each and the class C shares shall carry one tenth of a vote each.*

*Shares of either class may be issued up to an amount corresponding to the entire share capital.*

*Class C shares do not entitle to dividends. Upon the company's liquidation, class C shares carry equivalent right to the company's assets as other shares, however not to an amount exceeding the quota value of the share.*

*If the company resolves to issue new ordinary shares and class C shares, against payment other than contribution in kind, owners of ordinary shares and class C shares shall enjoy preferential rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary preferential rights).*

*Shares which are not subscribed for under the primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If the number of shares thus offered are not sufficient for the subscription on the basis of subsidiary preferential rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.*

*If the company resolves to issue new shares of either solely ordinary shares or class C shares, against payment other than contribution in kind, all shareholders, irrespective of whether their shares are ordinary shares or class C shares, shall have preferential rights to subscribe for new shares pro rata to the number of shares previously held by them.*

*What is set out above with regard to preferential rights shall apply mutatis mutandis in the event of issues of warrants and convertible debentures, and shall not limit the right to resolve upon an issue with deviation from the shareholders' preferential rights.*

*In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In connection therewith, the owners of*

*existing shares of a certain class shall entitle the holder to new shares of the same class. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendments of the articles of association.*

*Reduction of share capital, which in any case shall not fall below the minimum share capital, may, after resolution by the company's board of directors, take place through redemption of all class C shares. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if the required funds are available. The redemption amount per class C share shall be the quota value of such shares. Following receipt of the redemption resolution, holders of shares subject to redemption shall promptly receive payment for the shares, or, if authorisation for the redemption from the Swedish Companies Registration Office (Sw. Bolagsverket) or a court is required, following the receipt of notice that the final and effected decision has been registered.*

*Class C shares held by the company may, upon decision of the board of directors be reclassified into ordinary shares. Immediately thereafter, the board of directors shall register the reclassification to the Swedish Companies Registration Office. The reclassification is effected when it has been registered and the reclassification been reflected in the central securities depository register.*

***Authorisation for the board of directors to resolve to issue new class C shares (item 17 (b) (ii))***

The board of directors proposes that the annual general meeting resolves to authorise the board of directors, during the period until the annual general meeting 2027, on one or more occasions, to increase the Company's share capital by an issuance of class C shares. With deviation from the shareholders' preferential rights, a participating bank shall be entitled to subscribe for the new class C shares at a subscription price corresponding to the quota value. The purpose of the authorisation and the reason for the deviation from the shareholders' preferential rights in connection with the issue of shares is to ensure delivery of ordinary shares to participants under PSU 2026, as well as to cover any costs for social contributions arising as a result of PSU 2026. A maximum of 626,522 class C shares may be issued in accordance with this authorisation.

***Authorisation for the board of directors to resolve on repurchase of class C shares (item 17 (b) (iii))***

The board of directors proposes that the annual general meeting resolves to authorise the board of directors, during the period until the annual general meeting 2027, on one or more occasions, to resolve on repurchase of class C shares. The repurchase may only be effected through an offer directed to all holders of class C shares and shall comprise all outstanding class C shares. Repurchases shall be effected at a purchase price corresponding to the quota value of the share. Payment for the repurchased class C shares shall be made in cash. The purpose of the repurchase authorisation is to ensure delivery of ordinary shares to the participants in PSU 2026 and to cover any costs for social contributions arising as a result of PSU 2026, and the class C shares may therefore be reclassified to ordinary shares after the repurchase.

***Transfer of own ordinary shares to participants and in the market (item 17 (b) (iv))***

The board of directors proposes that the annual general meeting resolves that the class C shares repurchased by the Company by virtue of the authorisation to repurchase class C shares in accordance with item 17 (b) (iii) above may, after reclassification into ordinary shares, be transferred free of charge to participants in PSU 2026 in accordance with the resolved terms and conditions, and be sold on Nasdaq Stockholm, including through a financial intermediary, at a price within the registered price range at the relevant time, in order to cover any costs for social security contributions in accordance with the terms and conditions of PSU 2026. The number of shares to be transferred is subject to recalculation in the event of a bonus issue, split, rights issue and/or other similar events.

***Equity swap agreement with a third party (item 17 (c))***

Should the majority requirement for item 17 (b) above not be met, the board of directors proposes that the annual general meeting resolves that PSU 2026 instead shall be hedged through Xspray entering into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party in its own name shall be entitled to acquire and transfer shares of Xspray to the participants.

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**Majority requirements**

For a valid resolution in accordance with item 17 (b) above, approval by at least nine-tenths (9/10) of both the votes cast and the shares represented at the annual general meeting is required.