

2024



Remuneration report 2024

Alligator Bioscience AB (publ)

Remuneration report 2024

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.

Introduction

This remuneration report describes how the guidelines for remuneration to senior executives of Alligator Bioscience AB (“Alligator”), adopted by the annual general meeting 2024, were implemented in 2024. The report also provides information on remuneration to the CEO and a summary of Alligator’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 Stock Market Self-Regulation Committee.

Further information on remuneration to senior executives is available in note 12 (Payments to senior executives) on pages 67-68 in the annual report 2024. Information on the work of the Remuneration Committee in 2024 is set out in the corporate governance report available on pages 37-41 in the annual report 2024.

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 12 on pages 67-68 in the annual report 2024.

Developments during 2024

The CEO summarizes Alligator’s overall performance in his statement on page 5 in the annual report 2024.

Alligator’s remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of Alligator’s business strategy and safeguarding of its long-term interests, including its sustainability, is that Alligator can recruit and retain qualified personnel. To this end, Alligator must offer competitive remuneration on market terms. Alligator’s remuneration guidelines enable Alligator 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 Alligator’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.

The guidelines are found on pages 27-29 in the annual report 2024. During 2024, Alligator has complied with the applicable remuneration guidelines adopted by the general meeting. 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 Alligator’s compliance with the guidelines is available on Alligator’s website, www.alligatorbioscience.se/en/corporate-governance/general-meeting/. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the general meetings of Alligator have resolved to implement long-term share-related incentive programs.

Share-based remuneration

Outstanding share-related and share price-related incentive programs

Warrant programs LTI 2022 I/II

The annual general meeting 2022 resolved to implement a long-term incentive program by way of a warrant program for employees in Alligator (“LTI 2022 I”), whereby initially 3,700,000 warrants were issued within the framework of the program. Subsequently, 1,073,000 unallocated warrants have been cancelled. As of 31 December 2024, participants in LTI 2022 I held a total of 2,298,666 warrants in the program while the remaining warrants were held by a wholly owned subsidiary of Alligator. In case all warrants held by participants in the program on 31 December 2024 are utilized for subscription of new ordinary shares, a total of 3,172,159 new ordinary shares will be issued, which corresponds to a dilution of approximately 0.42 per cent of Alligator’s ordinary shares as of 31 December 2024. In LTI 2022 I, CEO Søren Bregenholt has acquired a total of 500,000 warrants at market value.

Table 1 – Total remuneration to the CEO in 2024 (KSEK)*

| Name of director (position) | 1 | | 2 | | 3 | 4 | 5 | 6 |
|-----------------------------|---------------------------|------------------------------|-----------------------|-----------------------------------|---------------------|-------------------------------|--------------------|---|
| | Fixed remuneration | | Variable remuneration | | | | | |
| | Base salary ¹⁾ | Other benefits ²⁾ | One-year variable | Multi-year variable ³⁾ | Extraordinary items | Pension expense ⁴⁾ | Total remuneration | Proportion of fixed and variable remuneration |
| Søren Bregenholt (CEO) | 3,966 | 168 | 562 | 6 | - | 542 | 5,244 | 89/11 |

* Except for Multi-year variable remuneration, the table reports remuneration earned in 2024.

¹⁾ Including holiday pay.

²⁾ Refers to car benefit, benefit for fuel and congestion tax.

³⁾ Refers to matching shares in LTI 2021 during 2024.

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

The annual general meeting 2022 also resolved to implement a warrant program for certain board members ("**LTI 2022 II**"), whereby initially 600,000 warrants were issued within the framework of the program. Subsequently, 100,000 unallocated warrants have been cancelled. As of 31 December 2024, participants in LTI 2022 II held a total of 500,000 warrants. In case all warrants held by participants on 31 December 2024 are utilized for subscription of new ordinary shares in Alligator, a total of 690,000 new ordinary shares will be issued in Alligator, which corresponds to a dilution of approximately 0.09 per cent of Alligator's ordinary shares as of 31 December 2024.

After recalculation due to the rights issues completed during 2023 and 2024, each warrant in LTI 2022 I/II entitles to subscription of 1.38 new ordinary shares in Alligator at a subscription price of SEK 2.46 per ordinary share. The warrants in LTI 2022 I/II can be utilized for subscription of new ordinary shares in Alligator during the period 1–30 June 2025. All warrants in LTI 2022 I/II have been transferred to participants at the warrants' market value at the time of the transfer.

Warrant programs LTI 2023 I/II

The annual general meeting 2023 resolved to implement a long-term incentive program by way of a warrant program for employees in Alligator ("**LTI 2023 I**"), whereby initially 8,955,000 warrants were issued within the framework of the program. As of 31 December 2024, participants in LTI 2023 I held a total of 4,888,333 warrants. The remaining warrants in the program were held by a wholly owned subsidiary of Alligator. In case all warrants held by participants on 31 December 2024 are utilized for subscription of new ordinary shares, a total of 5,132,750 new ordinary shares will be issued, which corresponds to a dilution of approximately 0.67 per cent of Alligator's ordinary shares as of 31 December 2024. In LTI 2023 I, the CEO Søren Bregenholt has acquired a total of 1,200,000 warrants at market value.

The annual general meeting 2023 also resolved to implement a warrant program for certain board members ("**LTI 2023 II**"), whereby a total of 1,440,000 warrants were issued within the framework of the program. As of 31 December 2024, participants in LTI 2023 II held all 1,440,000 warrants. In case all warrants held by participants on 31 December 2024 are utilized for subscription of new ordinary shares, a total of 1,512,000 new ordinary shares will be issued, which corresponds to a dilution of approximately 0.20 per cent of Alligator's ordinary shares as of 31 December 2024.

After recalculation due to the rights issues completed during 2023 and 2024, each warrant in LTI 2023 I/II entitles to subscription of 1.05 new ordinary shares in Alligator at a subscription price amounting to SEK 1.01 per ordinary share. The warrants in LTI 2023 I/II can be utilized for subscription of new ordinary shares in Alligator during the period 1–30 June 2026. All warrants in LTI 2023 I/II have been transferred to participants at the warrants' market value at the time of the transfer.

Warrant program LTI 2024 I/II

The annual general meeting held on 7 May 2024 resolved to implement a long-term incentive program by way of a warrant program for employees in Alligator ("**LTI 2024 I**"), whereby initially 5,915,000 warrants were issued within the framework of the program. As of 31 December 2024, participants in LTI 2024 I held a total of 2,554,166 warrants. The remaining warrants in the program were held by a wholly owned subsidiary of Alligator. In case all warrants held by participants on 31 December 2024 are utilized for subscription of new ordinary shares, a total of 2,554,166 new ordinary shares will be issued, which corresponds to a dilution of approximately 0.34 per cent of Alligator's ordinary shares as of 31 December 2024. In LTI 2024 I, the CEO Søren Bregenholt has acquired a total of 900,000 warrants at market value.

The annual general meeting 2024 also resolved to implement a warrant program for certain board members ("**LTI 2024 II**"), whereby a total of 640,000 warrants were issued within the framework of the program. As of 31 December 2024, participants in LTI 2024 II held all 640,000 warrants. In case all warrants held by participants on 31 December 2024 are utilized for subscription of new ordinary shares, a total of 640,000 new ordinary shares will be issued, which corresponds to a dilution of approximately 0.08 per cent of Alligator's ordinary shares as of 31 December 2024.

Each warrant in LTI 2024 I/II entitles to subscription of one new ordinary share in Alligator at a subscription price amounting to SEK 1.69 per ordinary share. The warrants in LTI 2024 I/II can be utilized for subscription of new ordinary shares in Alligator during the period 1–30 June 2027. All warrants in LTI 2024 I/II have been transferred to participants at the warrants' market value at the time of the transfer.

Table 2 – Share based incentive program, share saving program (CEO)

| Name of director (position) | Main conditions for the share saving program | | | | | Information regarding the reported financial year | | | | | |
|--------------------------------|--|-------------------------|---------------------|--------------------|------------------------------|---|-----------------------------|---------------------------------|--|-----------------------------|-----------------------------------|
| | | | | | | Opening balance | During the year | | Closing balance | | |
| | 1 Name | 2 Performance period | 3 Allotment date | 4 Saving period | 5 End of retention period | 6 Saving shares at beginning of period | 7 Saving shares acquired | 8 Delivered matching shares* | 9 Subject to performance conditions | 10 Allotted and unvested | 11 Subject to retention period |
| Søren Bregenholt (CEO) | LTI 2021 | 2021–2024 | 2021-07-16 | 2021–2024 | 2024-09-30 | 15,000 | - | 22,650 | - | - | - |
| Total | | | | | | 15,000 | - | 22,650 | - | - | - |

* The value of the allotted matching shares, corresponding to an equal number of ordinary shares, amounts to SEK 6 thousand, calculated as the share price at the allotment date on 3 December 2024 (SEK 0.2495) multiplied by the number of allotted matching shares (22,650). After recalculation as a result of completed rights issues, each saving share held entitled to 1.51 matching shares.

Additional information regarding Alligator’s outstanding incentive programs is available in note 27 (Equity) on page 74 of the annual report for 2024. Due to the completed rights issue in 2025 and the subsequent reverse split of the ordinary shares in 2025, the conditions for the warrants will be subject to recalculation during 2025.

Completed share based and share price related incentive program during 2024

Share saving program LTI 2021

At the annual general meeting 2021 it was resolved to implement a long-term incentive program by way of a performance-based share saving program for employees in Alligator (“LTI 2021”), which was completed in 2024. In December 2024, a total of 170,681 matching shares (the equivalent number of ordinary shares) were delivered to the 31 participants in LTI 2021, whereof 22,650 ordinary shares were delivered to CEO Søren Bregenholt. The total dilution effect of LTI 2021 thus amounted to 0.02 per cent of Alligator’s ordinary shares as of 31 December 2024. The share price target included in LTI 2021 was not met, hence no performance shares were delivered to the participants in LTI 2021.

In table 2 above, the CEO’s participation in LTI 2021 is presented.

Application of performance criteria

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

Table 3 – Performance of the CEO in the reported financial year: variable cash remuneration

| Name of director (position) | 1 | 2 | 3 |
|--------------------------------|---|--|--|
| | Description of the criteria related to the remuneration component | Relative weighting of the performance criteria | a) Measured performance; and b) actual award / remuneration outcome |
| Søren Bregenholt (CEO) | Financing/ partner agreements | 20% | a) 10% b) KSEK 113 |
| | Development of/ progress in the clinical programs | 80% | a) 40% b) KSEK 449 |

Comparative information on the change of remuneration and Alligator's performance

Table 4 – Change of remuneration and Alligator's performance over the last five reported financial years (RFY) (KSEK)

| | RFY 2024 | RFY 2023 | RFY 2022 | RFY 2021 | RFY 2020 |
|---|----------|----------|----------|---------------------|----------|
| CEO remuneration | 5,244 | 5,202 | 4,399 | 6,330 ¹⁾ | 2,719 |
| Group operating profit | -229,141 | -248,983 | -192,789 | -141,565 | -144,298 |
| Average remuneration on a full time equivalent basis of employees ²⁾ of the parent company | 913 | 916 | 943 | 780 | 766 |

¹⁾ CEO remuneration during the financial year 2021 includes remuneration to the current CEO Søren Bregenholt as well as the former acting CEO Malin Carlsson and the former CEO Per Norlén (including severance pay).

²⁾ Excluding members of the group executive management.

Lund in March 2025

The Board of Directors of Alligator Bioscience AB (publ)