

## **Resolution on the introduction of a share-based incentive program for the members of the Board of Directors**

The Nomination Committee proposes that the Annual General Meeting resolves to implement a share-based incentive program for members of the Board of Directors of the company ("Board LTIP 2023") in accordance with items 16 – b below. The resolutions under items 16a – b below are proposed to be conditional upon each other. Should the majority requirement for item 16b not be met, the Nomination Committee proposes that the company shall be able to enter into an equity swap agreement with a third party in accordance with item 16c below and resolutions under items 16a and 16c shall then be conditional upon each other.

Board LTIP 2023 is a program under which the participants will be granted, free of charge, share awards ("share awards") that entitle to shares in the company to be calculated in accordance with the principles stipulated below. The number of share awards will be determined based on the volume weighted average price of the company's share on Nasdaq Stockholm for the five trading days immediately prior to the grant date (as defined below), however a maximum of 120,000 share awards. As part of the implementation of Board LTIP 2023, a maximum of 120,000 warrants can be issued in accordance with item 16b below.

### **Proposal for resolution on adoption of a share-based incentive program for the members of the Board of Directors (item 16a)**

#### **The rationale for the proposal**

The Nomination Committee believes that an equity-based incentive program is a central part of a competitive remuneration package in order to attract, retain and motivate internationally competent members to the Board of Directors. The Nomination Committee is of the opinion that Board LTIP 2023 will increase and strengthen the participants' dedication to the company's operations, improve company loyalty and that Board LTIP 2023 will be beneficial to both the shareholders and the company.

#### **Conditions for share awards**

The following conditions shall apply for the share awards:

- The share awards shall be granted free of charge to the participants immediately after the Annual General Meeting.
- The share awards shall vest over approximately one year corresponding to up to the date of, whichever is earliest, (i) the Annual General Meeting 2024 or (ii) June 1, 2024 ("Vesting Date"). Thus, the vesting period is shorter than three years. The Nomination Committee considers that a vesting period of approximately one year is more appropriate than a longer vesting period since the Board of Directors' term is at the longest from an Annual General Meeting to the next Annual General Meeting.
- The earliest point in time at which vested share awards may be exercised shall be the day falling immediately after the Vesting Date.
- The latest point in time at which vested share awards can be exercised shall be the earlier of (i) 90 days after the last day of service as a member of the Board of Directors, or (ii) June 1,

2029. The nomination committee desires that each board member holds these share awards, or shares received (net after tax) as a result of the share awards, as long as he or she remains being a board member.

- Each vested share award entitles the holder to receive one share in the company without any compensation being payable provided that the holder was a member of the Board of Directors of the company at Vesting Date.
- The number of share awards will be recalculated in the event that changes occur in the company's equity capital structure, such as bonus issue, merger, rights issue, share split or reverse share split, reduction of the share capital or similar measures.
- The share awards are non-transferable and may not be pledged.
- The share awards can be granted by the parent company as well as any other company within the group where the company is parent company.
- In the event of a public takeover offer, asset sale, liquidation, merger or any other such transaction affecting the company, the share awards will vest in their entirety upon completion of such transaction.
- The Share Awards shall otherwise be subject to the terms set forth in the separate agreements with the participants and the detailed terms for Board LTIP 2023 as made available in connection with the complete proposal but separate on the company's website.

### **Allocation**

The share awards under Board LTIP 2023 shall be awarded in accordance with the following. Board LTIP 2023 shall comprise all members of the Board of Directors. Each participant will be allotted share awards pursuant to the below.

The number of share awards will be determined by dividing in total SEK 1,450,000 with the volume weighted average price of the company's share on Nasdaq Stockholm for the five trading days immediately prior to the grant date. Thus, the number of share awards will be determined in close connection to the date of grant and distributed equal on a 1:1 basis as the fixed annual compensation to board members. That is, SEK 450 000 to the chairman and SEK 200 000 to each member of the Board of Directors.

However, Board LTIP 2023 will not under any circumstance comprise more than a total of 120,000 share awards which, if all share awards are vested in accordance with the vesting conditions above, entitle to a maximum of 120,000 shares in the company.

Should the maximum number of share awards be lower than the share awards that are to be allocated pursuant to the above, the share awards shall be allocated pro rata.

### **Preparation of the proposal**

Board LTIP 2023 has been initiated by the Nomination Committee of the company and has been structured based on a current market practice for comparable European (including Swedish) listed companies.

### **Dilution**

Board LTIP 2023 will comprise a maximum of 120,000 shares in total, which corresponds to a dilution of approximately 0.15 percent on a fully diluted basis. Taking into account also the shares which may be issued pursuant to previously implemented incentive programs in the company, the maximum dilution amounts to 5.7 percent on a fully diluted basis. The dilution is expected to have a marginal effect on the company's key performance indicator "Earnings per share". Information about Vicore's existing incentive programs can be found in Vicore's annual report for 2022, note 8, which is available on the company's website, [www.vicorepharma.com](http://www.vicorepharma.com).

### **Scope and costs of the program**

Board LTIP 2023 will be accounted for in accordance with "IFRS 2 – Share-based payments". IFRS 2 stipulates that the share awards shall be expensed as personnel costs over the vesting period and will be accounted for directly against equity. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. Social security costs will be expensed in the income statement according to UFR 7 during the vesting period. The market value of the share awards is calculated to be MSEK 0.3. The market value has been determined by way of a Black & Scholes formula.

Assuming a volume weighted average price of the Vicore share on Nasdaq Stockholm for the 30 trading days after the grant date of SEK 16.6, the annual cost for the Board LTIP 2023, according to IFRS 2, is estimated at approximately MSEK 0.3 before tax. The estimated IFRS 2 cost has been determined by way of a Black & Scholes formula. The annual cost for social security contributions is estimated at approximately MSEK 0.5, based on an annual increase in the share price of 20 per cent, the aforementioned assumptions and a social security tax rate of 31.42 per cent. The total annual cost for Board LTIP 2023 during the term of the program, including costs according to IFRS 2 and social security charges, is therefore estimated to be approximately MSEK 0.8.

The total cost of the Board LTIP 2023, including all costs referred to above and social security charges, is estimated under the assumptions above, and under the assumption that the share awards are exercised the day after the Vesting Date, to amount to approximately MSEK 0.8. The total cost of the Board LTIP 2023, including all costs referred to above and social security charges, is estimated under the assumptions above, and under the assumption that the share awards are exercised the last day for exercise and calculated based on an annual increase in the share price of 20 per cent until then, to amount to approximately MSEK 1.7.

### **Delivery of shares under Board LTIP 2023**

In order to ensure the delivery of shares under Board LTIP 2023, it is proposed that the Annual General Meeting resolves to issue warrants in accordance with item 16b below.

### **Proposal regarding issue of warrants (item 16b)**

In order to ensure the delivery of shares under Board LTIP 2023, it is proposed that the Annual General Meeting resolves to issue a maximum of 120,000 warrants, whereby the company's share capital may be increased by a maximum of approximately SEK 59,999.999417 in accordance with the following:

1. The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only vest with a fully owned subsidiary to Vicore. The reason for the deviation from the shareholders' pre-emptive rights is the implementation of Board LTIP 2023.
2. Vicore's wholly-owned subsidiary shall be entitled to transfer the warrants to participants in Board LTIP 2023, or a financial intermediary in connection with exercise of the share awards.
3. The warrants shall be issued free of charge and shall be subscribed for on a subscription list no later than June 1, 2023. The Board of Directors may extend the subscription period. The detailed terms of the warrants are set out in **Schedule A** hereto.
4. The exercise price for subscription for shares based on the warrants shall correspond to the share's quota value.
5. The company's CEO shall be authorized to make such minor adjustments that may be necessary in connection with the registration of the new issue.
6. Notification of subscription of shares by the exercise of warrants can be made from and including the day of registration of the warrants with the Swedish Companies' Office up until and including June 15, 2029.
7. Shares which are issued following subscription shall entitle to participation in the distribution of profits for the first time on the nearest record date occurring after the subscription has been exercised.

#### **Equity swap agreement with a third party (item 16c)**

Should the majority requirement for item 16b above not be met, it is proposed that the Annual General Meeting resolves that Board LTIP 2023 shall instead be hedged so that the Board of Directors is authorized, on the company's behalf, to enter 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 the company to the participants.

#### **Majority requirements**

Resolution in accordance with item 16b above requires approval of at least nine tenths (9/10) of the shares represented and votes cast at the Annual General Meeting.