

The Board of Directors' proposal to adopt a long-term incentive programme based on performance-based share rights for employees in Biotage

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long-term incentive programme based on performance-based share rights for employees in the Biotage group ("**LTIP 2024**") in accordance with item 19 below.

Proposal to adopt LTIP 2024 and hedging arrangements

The programme in brief

LTIP 2024 is proposed to include the CEO, executive management, management and other key employees, meaning that a maximum of 19 individuals within the Biotage group will be able to participate. Participants will be given the opportunity to receive ordinary shares free of charge within the framework of LTIP 2024, so-called "**Performance Shares**", in accordance with the conditions set out below.

Within the framework of LTIP 2024, the company will 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**").

Terms and conditions

A Share Right may be exercised provided that the participant, with certain exceptions, from the start date of the LTIP 2024 for each participant, up until and including the date three years thereafter (the "**Vesting Period**"), is still employed by the Biotage group. The last date for the start of the LTIP 2024 shall be the day before the Annual General Meeting of Biotage in 2025. 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:

- (i) 25 per cent of the Performance Shares related to the total shareholder return (the return to shareholders through an increased share price and reinvestments of any dividends during the Vesting Period) on the company's ordinary shares during the Vesting Period ("**Performance Condition 1**"),
- (ii) 25 per cent of the Performance Shares related to an average adjusted EBITDA-margin during the period from and including the financial year 2024 and up to and including the financial year 2026 (the "**Measurement Period**") ("**Performance Condition 2**"),¹
- (iii) 25 per cent of the Performance Shares related to average organic sales growth over the Measurement Period ("**Performance Condition 3**"), and

¹ The average adjusted EBITDA-margin is measured as an average over FY 2024, FY 2025 and FY 2026 before deduction of costs for long-term incentive programs.

- (iv) 25 per cent of the Performance Shares related to the company's ESG goal to reduce Biotage's CO2 footprint² over the Measurement Period ("**Performance Condition 4**").

Participants will be entitled to 25 per cent of the Performance Shares under Performance Condition 1 if the total shareholder return amounts to or exceeds 33.1 per cent (corresponding to 10 per cent per year) during the Vesting Period. For allotment of Performance Shares under Performance Condition 1, the total shareholder return for the company's ordinary share must exceed 15.8 per cent (corresponding to 5 per cent per year) during the Vesting Period. In between the percentages, allotment will be made linearly.

Participants will be entitled to 25 per cent of the Performance Shares under Performance Condition 2 if the average adjusted EBITDA-margin amounts to or exceeds 29 per cent during the Measurement Period. For allotment of Performance Shares under Performance Condition 2, the average adjusted EBITDA-margin must exceed 25 per cent during the Measurement Period. In between the percentages, allotment will be made linearly.

Participants will be entitled to 25 per cent of the Performance Shares under Performance Condition 3 if the average organic sales growth amounts to or exceeds 12 per cent during the Measurement Period. For allotment of Performance Shares under Performance Condition 3, the average organic sales growth must exceed 5 per cent during the Measurement Period. In between percentages, allotment will be made linearly.

Finally, participants will be entitled to 25 per cent of the Performance Shares under Performance Condition 4 (the company's ESG goal) if the reduction of Biotage's CO2 footprint amounts to or exceeds 20 per cent during the Measurement Period. For allotment of Performance Shares under Performance Condition 4, the reduction of Biotage's CO2 footprint must exceed 10 per cent during the Measurement Period. In between percentages, allotment will be made linearly.

Share Rights

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 2025.
- 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 Biotage group by the end of the Vesting Period.

² Biotage's CO2 footprint generated from the use of virgin polypropylene in instrument related parts such as covers, internal parts and accessories.

Preparation of the proposal, design and administration

The Board of Directors, or a special committee set up by the board, shall be responsible for preparing the detailed design and administration of the terms and conditions of LTIP 2024, 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. No recalculations will be made in relation to paid dividends. In connection with any recalculations, the Board of Directors shall be entitled to make adjustments to meet specific foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the Biotage group or in its environment would result in a situation where the adopted terms and conditions of LTIP 2024 no longer serve their purpose.

Allotment of Share Rights

The participants are divided into different categories and, in accordance with the above, the Share Rights under LTIP 2024 may be allotted to the following participants in the different categories:

Category	Maximum number of persons	Maximum number of Share Rights	Maximum number of Share Rights per person in the category
CEO	1	35,000	35,000
Executive management	2	40,000	20,000
Management	4	60,000	15,000
Key employees	12	96,000	8,000

Receiving Performance Shares under LTIP 2024 and hedging arrangements

The Board of Directors has considered different methods for transfer of ordinary shares under LTIP 2024 in order to implement the programme in a cost-effective and flexible manner. The Board of Directors has found the most cost-effective alternative to be, and thus proposes that the Annual General Meeting resolves (a) to authorize the Board of Directors to resolve on a directed rights issue of not more than 286,440 class C shares to the participating bank, of which not more than 55,440 class C shares may be issued to secure social contributions arising as a result of LTIP 2024 and (b) to authorize the Board of Directors to resolve on the repurchase of all issued class C shares in accordance with the below.

Following conversion of the class C shares to ordinary shares, the ordinary shares are intended to be both transferred to LTIP 2024 participants as well as sold in the market in order to cover the cash-flow related to social contribution costs associated with LTIP 2024. For this purpose, the Board of Directors proposes that the Annual General Meeting resolves (c) to transfer not more than 231,000 ordinary shares free of charge to participants in accordance with LTIP 2024 and that not more than 55,440 ordinary shares may be sold to cover social contribution costs arising as a result of LTIP 2024.

Scope and costs for LTIP 2024

LTIP 2024 will be reported in accordance with IFRS 2, which means that the Share Rights will be expensed as personnel costs over the Vesting Period. The costs for LTIP 2024 is estimated to amount to a maximum of approximately SEK 35.0 million, excluding social contributions, accounted in accordance with IFRS 2 based on the following assumptions: (i) that 231,000 Share Rights are allotted, (ii) that the share price, at the beginning of LTIP 2024, is SEK 176.10 per ordinary share, and (iii) that the performance conditions are fully met. Based on the same assumption as above, and subject to social contributions of approximately 24 per cent and a share price increase of 33.1 per cent from the start of LTIP 2024 until the participants are allotted shares, the costs for social contribution costs are estimated to amount to SEK 13.0 million. The total cost for LTIP 2024, including costs according to IFRS 2, is therefore estimated to a maximum of SEK 16.0 million per year.

Dilution and effects on key ratios

Upon maximum allotment of Share Rights 231,000 ordinary shares will be allotted to participants under LTIP 2024, and that 55,440 ordinary shares will be used to secure social contributions arising as a result of LTIP 2024 which would entail a dilution effect of approximately 0.36 per cent of the total number of ordinary shares in the company.

Given the above assumptions regarding scope and costs, and that LTIP 2024 was introduced in 2022 instead, it is estimated that the key figure earnings per share for full year 2023 would have decreased from SEK 3.33 to approximately SEK 3.13.

If also the LTIP 2022 is included in the calculation, the maximum dilution effect would amount to approximately 0.60 percent of the ordinary shares in the company, as of the date of this notice.

Authorization for the Board of Directors to issue new class C shares

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors, during the period until the Annual General Meeting 2025 on one or more occasions, to increase the company's share capital by not more than SEK 398,151.60 by the issue of not more than 286,440 class C shares, each with a quota value of SEK 1.39. With deviation from the shareholders' pre-emption rights, the participating bank shall be entitled to subscribe for the new class C shares at a subscription price corresponding to the quota value of the shares. The purpose of the authorization and the reason for the deviation from the shareholders' pre-emption rights in connection with the issue of shares is to ensure delivery of shares to employees under the long-term incentive programme, as well as to secure potential social contributions arising as a result of LTIP 2024.

Authorization for the Board of Directors to repurchase class C shares

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors, during the period until the Annual General Meeting 2025, on one or more occasions, to repurchase 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 acquired class C shares shall be made in cash. The purpose of the proposed repurchase authorization is to ensure delivery of Performance Shares under LTIP 2024 and to secure possible social contributions arising as a result of LTIP 2024.

Decision to transfer own ordinary shares

The Board of Directors proposes that the Annual General Meeting resolves that class C shares that the company acquires based on the authorization to repurchase class C shares in accordance with the above, may, following the re-classification into ordinary shares, be transferred free of charge to participants of LTIP 2024 in accordance with the adopted terms and conditions in order to secure possible social contributions arising as a result of LTIP 2024.

The Board of Directors therefore proposes that the Annual General Meeting resolves that not more than 231,000 ordinary shares may be transferred to participants in accordance with the terms and conditions of LTIP 2024 and that not more than 55,440 ordinary shares shall be transferred on Nasdaq Stockholm, including through a financial intermediary, at a price within the registered price range at the relevant time, to cover any social contributions in accordance with the terms and conditions of LTIP 2024. The number of shares to be transferred is subject to re-calculation in the event of a bonus issue, split, rights issue and/or other similar events.

The background and rationale for the proposal

The purpose of LTIP 2024 is to create conditions for motivating and retaining competent employees within the Biotage group and to increase the coherence between the employees', shareholders' and the company's objectives, as well as to increase the motivation to reach and exceed the company's financial targets. LTIP 2024 has been designed so that the programme includes both current and future senior executives and other key employees.

By offering Share Rights that are based on both share price development and partly on strategic goals, the participants are premised for increased shareholder value/value-creating measures. LTIP 2024 also rewards employees' continued loyalty and thus the long-term value growth of the company. After these considerations, the Board of Directors considers that LTIP 2024 will have a positive effect on the future development of the Biotage group and will consequently be beneficial for both the company and its shareholders.

The preparation of the proposal

LTIP 2024 has been prepared by the company's Board of Directors and its Remuneration Committee in consultation with external advisors. LTIP 2024 has been discussed by the Board of Directors at meetings held in February and March 2024.

Majority requirement

A decision according to the proposal pursuant to item 19 above is valid only when supported by shareholders holding not less than nine-tenths of both the votes cast and of the shares represented.

The Board of Director's statement in accordance with Chapter 19 Section 22 of the Swedish Companies Act is held available with the proposal.