



REPORT ON SALARIES AND OTHER REMUNERATION TO LEADING PERSONNEL IN NAVAMEDIC ASA 2024

Introduction

This report on salaries and other remuneration to leading personnel (the "**Report**") of Navamedic ASA (the "**Company**") is based on the guidelines for the determination of salaries and other remuneration of leading personnel in the Company which were approved by the Company's general meeting on 01.06.2023 ("**Guidelines**").

The report is based on the requirements set out in the Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (the "**Companies Act**") section 6-16 a and 6-16 b, as well as Regulation on guidelines and report on remuneration for leading personnel of 11 December 2021 No. 2730 (the "**Regulation**"). The report is formulated in line with the European Commission's template for remuneration reports.¹

Remuneration to board members is not covered by this Report. Any remuneration to board members is determined by the general meeting in accordance with the Companies Act section § 6-10 and is available in note 16 in the consolidated financial accounts in the annual report for 2024.

Company performance

The company performance in 2024

The revenue growth for the Company was 3.8%. Navamedic entered into a License & Supply Agreement with Orion Corporation to market and sell Flexilev® and the OrdFID® dispenser across Europe. We added NOK 20 million in revenue from 2023 to 2024 and EBITDA level of NOK 46.6 million in a year of focusing on laying the foundation for future growth through strategic initiatives and investments. See the 2024 Navamedic ASA annual report for more details on the 2024 company performance.

The guidelines for remuneration that the Company adopted in 2022

Navamedic ASA's guidelines on the determination of salaries and other remuneration for executive personnel were approved at the company's Annual General Meeting in 2022. The guidelines are summarised below:

Introduction

The main principle for Navamedic's remuneration policy is that the Senior Executives shall be offered competitive terms when their total remuneration package is taken into account. Such package may consist of elements such as base salary, performance-based bonus, option programs, benefits in kind and pension arrangements. Navamedic shall seek to offer a remuneration level that is considered competitive and on market terms, compared to the level offered by similar small pharmaceutical companies in the Nordic region, and which contribute to satisfy the Group's need to recruit and keep highly qualified personnel.

Fixed remuneration

The fixed remuneration provided to Senior Executives includes a base salary and benefits in kind such as a car allowance, mileage agreements and telephone. The Senior Executives also have insurance coverage and other benefits in line with what is offered to the other employees in accordance with collective agreements, legislation and normal practice in Norwegian companies.

Variable remuneration

In order to implement and achieve Navamedic's business strategy, long-term interests and financial sustainability, the executive personnel may receive variable remuneration in the form of performance-based bonus. Such performance-based

bonus shall be agreed on an individual basis if applicable. The criteria for any performance-based bonus shall be determined by the board of directors and shall be linked to measurable factors, such as the achievement of pre-determined KPIs.

The Company aims to increase its revenues and strengthen its profitability. The Company's key drivers for growth are to deliver growth on existing product portfolio as well as winning new distribution agreements and/or market authorizations for new products. This is reflected in the KPIs to the executive personnel.

Option program

In order to further align the interests of the Senior Executives by those of the Company, share options in the Company may be granted to the senior executives as a part of their total remuneration package. Such alignment of interests is considered important to fulfil the Company's goals.

Remuneration to executive personnel

Executive personnel as at the date of this report

As of the date of this report, the following persons are considered executive personnel:

- CEO Kathrine Gamborg Andreassen
- CFO Lars Hjarrand

Remuneration composition

The fixed remuneration will constitute the main component of the Senior Executives' total remuneration. The fixed remuneration for the Senior Executives consists of several different items. The base salary shall be determined based on job level, local competition, market salary for similar positions and performance level. The fixed salary may be adjusted annually. Senior Executives may also be offered additional contribution in the form of free newspaper, coverage of phone/mobile expenses, internet services and car allowance/company car. Furthermore, Senior Executives participate in the Company's insurance scheme as well as in the Company's defined contribution pension scheme, which currently is 5.5% of salary from 0G to 7.1G and 15% from 7.1G to 12G.

Further, the Company has a variable remuneration scheme. The Company has a performance-based bonus scheme for the Senior Executives, which is based on the Group's results as well as individual KPIs. The individual KPIs are agreed specifically for each role to the extent possible, and all KPIs are set to underpin the Company's strategy. To determine if the goals have been met, a quantitative assessment is made of the quantitative goals, while individual assessments are made for the qualitative goals. As a general guideline, the performance-based bonus for the CEO should be linked to the completion of growth initiatives such as building a pipeline of innovative products as well as acquisitions of marketing authorizations and/or product portfolios. The performance-based bonus for the CFO should be linked to the satisfactorily completion of projects and initiatives tied to completion of new product acquisition, increased margins as well as cost control.

Table 1. The table below shows total remuneration the Company's executive personnel for the years 2023 and 2024

	Kathrine Gamborg Andreassen CEO	Lars Hjarrand CFO	Total 2024	Kathrine Gamborg Andreassen CEO	Lars Hjarrand CFO	Total 2023
Salary and Holiday pay paid	3 444	2 378	5 822	3 068	2 111	5 179
Variable remuneration paid	2 250	532	2 782	1 874	463	2 337
Benefits in kind and other benefits paid	647	661	1 308	436	434	870
Pension	138	138	276	131	131	262
Total paid salary and remuneration	6 479	3 709	10 188	5 509	3 139	8 648
Variable remuneration earned in 2024/2023	639	147	766	2 250	531	2 781
Proportion of fixed and variable remuneration	65.3%/34.7%	85.6%/14.4%	72.7%/27.3%	66.0%/34.0%	85.3%/14.7%	73.0%/27.0%

Note to table above: Base Salary includes monthly salary and earned holiday pay to be paid the following year. Other Benefits includes taxable gain from exercising share options, company car/ car allowance, phone/internet and others. Variable remuneration shows earned bonus for the year, to be paid the following year.

Option-based remuneration to executive personnel in the Company

Table 2 below shows the detailed information of the options that have been granted or offered to the executive personnel. The table shows the main conditions related to the different options, including number of options, the dates of grant, vesting dates, exercise price and opening/closing holdings.

Table 2

Name and position	The main conditions of share option plans				Information regarding the reported financial year					
					Opening balance	During the year			Closing Balance	
	Specification of plan	Awarded date	Vesting date	Exercise price	Share options held at the beginning of the year	Share options awarded	Share options vested	Share options exercised	Share options awarded and unvested	Share options held at the end of the year
Kathrine Gamborg Andreassen CEO	2020 Options Program	Jun 9, 2020	1/3 on Jun 9th 2021 1/3 on Jun 9th 2022 1/3 on Jun 9th 2023	19.00	80 000	0	0	80 000	0	0
	2023 Options Program	Feb 16, 2023	1/3 on Feb 16th 2024 1/3 on Feb 16th 2025 1/3 on Feb 16th 2026	33.00	200 000	0	0	0	200 000	200 000
Lars Hjarrand CFO	2020 Options Program	Jun 9, 2020	1/3 on Jun 9th 2021 1/3 on Jun 9th 2022 1/3 on Jun 9th 2023	19.00	50 000	0	0	50 000	0	0
	2023 Options Program	Feb 16, 2023	1/3 on Feb 16th 2024 1/3 on Feb 16th 2025 1/3 on Feb 16th 2026	33.00	200 000	0	0	0	200 000	200 000

Performance-based remuneration

The approved remuneration guidelines for executive personnel allow for variable, performance-based remuneration up to 75% of the base salary. For CEO Kathrine Gamborg Andreassen the maximum performance-based remuneration (bonus) for 2023 was 75% of base salary. For CFO Lars Hjarrand, the corresponding percentage was 25%.

75% of the bonus to the executive personnel is based on the achievements of financial targets (Revenues growth, GM% and EBITDA), while 25% is based on discretionary assessment of individual KPIs. Table 3 below shows the breakdown of the different criteria and respective achievement of each.

Table 3

CEO Kathrine G Andreassen		Share of bonus	Potential Bonus	Achieved %	Awarded
Criteria A:					
Financial targets: Revenues growth, GM% and EBITDA		75 %	1 856	25 %	464
Criteria B:					
Secure future growth by ensuring investment and progress of revenue-increasing projects and initiatives. Ensure positive development in the management of working capital and cash in the company.		25 %	619	25 %	155
Total		100 %	2 475	25 %	619

CFO Lars Hjarrand		Share of bonus	Potential Bonus	Achieved %	Awarded
Criteria A					
Financial targets: Revenues growth, GM% and EBITDA		75 %	441	25 %	110
Criteria B					
Ensure prudent cost and cash control in the company. Implement appropriate actions to optimize working capital in the company.		25 %	147	25 %	37
Total		100 %	588	25 %	147

Total remuneration compared to the Guidelines

A prerequisite for a successful implementation of the Company's business strategy and securing the Company's long-term interests, including sustainability, is that the Company is able to recruit and retain qualified personnel. To achieve this, it is necessary for the Company to offer competitive remuneration.

The Company's remuneration guidelines enable the Company to offer leading personnel a competitive total remuneration. Total remuneration to leading personnel during 2024 complies with the Company's guidelines for remuneration. Further, the Company firmly believes that both the total remuneration, including the fixed-, variable- and option program serves to contribute to the long-term results of Navamedic.

Derogations and deviations from the remuneration guidelines and from the procedure for implementation of the guidelines

In 2024, there were no deviations from the adopted remuneration guidelines.

The company's use of access to recover variable remuneration

There were no instances in 2024 where it was deemed necessary to request a recovery of any part of the leading personnel's received remuneration or other benefits.

Information on changes in remuneration and the Company's performance over the last 5 years

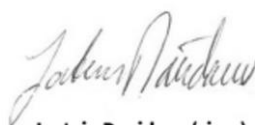
Table 4 below shows the change in remuneration (base salary) over the past five financial years.

	2020	2021	2022	2023	2024
Kathrine Gamborg Andreassen, CEO	2 270	2 478	2 611	3 068	3 444
Change %	20 %	9 %	5 %	17 %	12 %
Lars Hjarrand, CFO	1730	1814	1871	2 111	2 378
Change %	2 %	5 %	3 %	13 %	13 %
Company's performance					
Revenues growth	11%	33 %	37 %	34 %	4 %
Gross Margin %	33.5%	40.1%	42.8%	38.9%	39,3 %
EBITDA	-13M	18.2M	517M	35.5M	46,5M
Average remuneration on an FTE-basis of employees					
Change %	3.7%	3.4%	3.7%	4.7%	4.6%

Notes to table 4: The table above shows base salary development. Base salary includes monthly salary and holiday pay. Kathrine Gamborg Andreassen was appointed CEO starting Jan 1, 2019. Lars Hjarrand was hired as CFO starting in December 2019. The average change % shows the change in base salary for all non-executive personnel in the group. 2019 annualized salary for Lars Hjarrand.

Consideration at general meeting.

This report was approved by the Company's Chairman of the Board and Head of Remuneration Committee, Jostein Davidsen, on behalf of the Board of directors on 12 May and was subsequently submitted for final approval by the Company's annual general meeting on 4th of June 2025.



Jostein Davidsen (sign.)

Chairman

To the General Meeting of Navamedic ASA

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REPORT ON SALARIES AND OTHER REMUNERATION TO LEADING PERSONNEL

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Navamedic ASA's report on salaries and other remuneration to leading personnel (the remuneration report) for the financial year ended 31. December 2024 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. The firm applies International Standard on Quality Management, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".



**Shape the future
with confidence**

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 15 May 2025
Ernst & Young AS

Anja Maan
State Authorised Public Accountant
(This document is signed electronically)

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Maan, Anja

Partner

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