

# 2024 Remuneration Report

Initiator Pharma A/S

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## 1. Introduction/Statements

Initiator Pharma A/S, Remuneration Report for the financial year 2024.

This remuneration report (the “Report”) provides an overview of the total remuneration received by each member of the board of directors (“Board”) and of the executive management (“Executive Management”) of Initiator Pharma A/S, CVR no. 37663808, (the “Company”) for the financial year 2024 with comparative figures for the past five financial years. The Executive Management includes the members of the executive management of the Company registered as such with the Danish Business Authority.

The remuneration of the Board and Executive Management during the past financial year has been provided in accordance with the remuneration policy of the Company approved by the annual general meeting on 26 May 2023, which is available on the Company’s website, [www.initiatorpharma.com](http://www.initiatorpharma.com) (the “Remuneration Policy”). The overall objective of the remuneration is to attract, motivate and retain qualified members of the Board and the Executive Management and to align the interests of the Board and the Executive Management with the interests of the Company and its shareholders. In this context, remuneration should contribute towards promoting the strategy, long-term sustainability and creation of value in the Company by supporting the Company’s long-term and short-term objectives.

The information included in the Report has been derived from the audited annual reports of the Company for the financial years 2021-2024 available on the Company’s website, [www.initiatorpharma.com](http://www.initiatorpharma.com). All amounts are included in DKK, gross, unless stated otherwise.

### **Statement by the board**

The Board has today approved the Company’s Annual Report and Remuneration Report for the financial year 2024.

The Report has been prepared in accordance with the principles in section 139 b of the Danish Companies Act as the Company is not listed on a regulated market.

In our opinion, the Report provides an overall overview of the remuneration that the individual management members were awarded during or for the benefit of the financial year 2024, and the Report provides a comprehensive overview of the remuneration that the individual management members received during or for the benefit of the financial year 2024, and the Report explains how the overall remuneration is in accordance with the agreed Remuneration Policy, including how the remuneration contributes towards promoting the business strategy, long-term interests, sustainability and creation of value in the Company by supporting the Company’s long-term and short-term objectives.

Copenhagen, 28 April 2025

The Board of Directors

## 2. Overview of 2024

The financial results of 2024 are:

- Net operating expenses of TDKK -14,502 (TDKK -27,030 in 2023)
- Net result of TDKK -12,932 (TDKK -22,873 in 2023)
- Cash and cash equivalents amounted to TDKK 13,371 at year-end (TDKK 24,336 in 2023)

During 2024 the Company achieved a number of key corporate and development milestones:

- Prepared clinical development plans for Pudafensine and IP2028 within ED and Female sexual dysfunction
- Prepared business development plans for both Pudafensine and IP2018.

The Executive Management have received partial short-term incentive remuneration for the year 2024. In addition, during 2024 the Executive Management has subscribed for a total of 30,000 shares under the LT12023 incentive program (Matching Shares) at a subscription price of DKK 0.105 per share.

Magnus Persson, Peter Holm, Henrik Moltke, Annette Colin, Gunilla Ekström and Claus Olesen were re-elected as board members at the Annual General Assembly in May 24, 2024.

## 3. Remuneration to the Board

### 3.1 Fixed annual fee

Members of the Board receive a fixed annual base fee approved by the annual general meeting in 2024. This annual base fee must be in line with market practice of comparable listed companies taking into account the required competencies, effort and scope of work of the members of the Board.

The following fees for the financial year 2024 were approved at the annual general meeting on 24 May 2024:

| Table 1: Board fees for 2024 |  | DKK     |
|------------------------------|--|---------|
| Board position               |  |         |
| Chairman                     |  | 220 000 |
| Member (independent)         |  | 90 000  |

Members of the Board may be entitled to additional fees as set out in the Remuneration Policy, including for undertaking specific ad hoc tasks outside the scope of the ordinary tasks of the Board, travel allowance and participation in relevant training.

Total non-share based remuneration to the board:

| Table 2: Remuneration of Board for the financial year 2024 |            |           |          |              |                    |  |
|--|------------|-----------|----------|--------------|--------------------|--|
| Name and position  | Annual fee | Allowance | Benefits | Ad hoc tasks | Total remuneration |  |
| Magnus Persson, Chairman                                   | 220 000    | 0         | 0        | 0            | 220 000            |  |
| Annette Colin, Board member                                | 90 000     | 0         | 0        | 0            | 90 000             |  |
| Peter Holm, Board member                                   | 90 000     | 0         | 0        | 0            | 90 000             |  |
| Henrik Moltke, Board member                                | 90 000     | 0         | 0        | 0            | 90 000             |  |
| Gunilla Ekström  | 90 000     | 0         | 0        | 0            | 90 000             |  |
| Claus Olesen, CEO and Board member                         | 0          | 0         | 0        | 0            | 0                  |  |
| Total 2024   | 580 000    | 0         | 0        | 0            | 580 000            |  |
| Total 2023   | 580 000    | 0         | 0        | 0            | 580 000            |  |
| Total 2022   | 490 000    | 0         | 0        | 0            | 490 000            |  |

Claus Olesen, the CEO of Initiator Pharma, is also a member of the board and does not receive compensation for his board position.

### 3.2 Share based remuneration

Members of the Board of Directors are offered participation in the Company's share based incentive programs as approved by the AGM. The motivation for doing so is for the Company to be able to attract competent board members to the Company since the Company is not in a position to pay market terms in cash.

| Name and position  | Program | Performance Period | Award Date   | Last vesting date (last expiry date) | Maximum number of warrants | Number of warrants vested (exercised/ expired/ outstanding) |
|--|---------|--------------------|--------------|--------------------------------------|----------------------------|---|
| Magnus Persson, Chairman of the Board  | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | 60 000                     | 0<br>(51 215/8 785/0)                                       |
|  | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | 15 000                     | 0<br>(2 500/12 500/0)                                       |
|  | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | 48 000                     | 8 000<br>(8 000/0/40 000)                                   |
|  |         |                    |              |                                      |                            |   |
| Henrik Moltke, Board member  | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | 42 000                     | 0<br>(35 850/7 150/0)                                       |
|  | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | 42 000                     | 0<br>(7 000/36 000/0)                                       |
|  | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | 30 000                     | 5 000<br>(5 000/0/25 000)                                   |
|  |         |                    |              |                                      |                            |   |
| Annette Colin, Board member  | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | 42 000                     | 0<br>(35 850/7 150/0)                                       |
|  | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | 18 000                     | 0<br>(3 000/15 000/0)                                       |
|  | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | 30 000                     | 5 000<br>(5 000/0/25 000)                                   |
|  |         |                    |              |                                      |                            |   |
| Gunilla Ekström, Board member  | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | -                          | -<br>-  |
|  | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | 42 000                     | 0<br>(7 000/36 000/0)                                       |
|  | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | 30 000                     | 5 000<br>(5 000/0/25 000)                                   |
|  |         |                    |              |                                      |                            |   |
| Peter Holm, Board member   | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | -                          | -<br>-  |
|  | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | -                          | -<br>-  |
|  | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | -                          | -<br>-  |
|  |         |                    |              |                                      |                            |   |
| Claus Olesen, CEO and Board member <sup>1</sup>  | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | 360 000                    | 0<br>(307 289/52 711/0)                                     |
|  | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | 210 000                    | 0<br>(35 000/175 000/0)                                     |
|  | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | 180 000                    | 30 000<br>(30 000/0/150 000)                                |
|  |         |                    |              |                                      |                            |   |
| <b>Total</b>   |         |                    |              |                                      | <b>399 000</b>             | <b>23 000</b>   |
| <sup>1</sup> Excluded from the total number of warrants and vested warrants for the Board of Directors |         |                    |              |                                      |                            |   |

#### LTI2022 program:

At year-end 2024 the LTI2022 program expired. Based on the share price in December 2024 no Performance shares vested under this program.

#### LTI2023 program:

Under the LTI2023 program 23,000 warrants vested to members of the Board of Directors during 2024 (Matching shares), of which 23.000 were acquired by members of the board from the company in November 2024.

In total during 2024 members of the Board of Directors vested 23,000 warrants.

Claus Olesen, CEO, does not receive share options for his position as board member, and his warrants are not included in the Total number of warrants in the table above.

#### 4. Remuneration to the Executive Management

The Board sets and approves the Executive Management's base salary that is based on market practice, the scope and nature of the work, the qualifications required and the performance of each individual executive. In addition, the Company's interest in attracting, motivating and maintaining qualified members of the Executive Management must in general be taken into account.

Members of the Executive Management may also be granted certain non-monetary benefits such as company car as well as other customary non-monetary employee benefits such as insurance, newspaper, telephone and internet access as approved by the Board.

The Board determines the terms governing pension and resignation. The ordinary notice period on the part of the Company cannot exceed 12 months. An executive may terminate his/her employment subject to at least an ordinary notice period of 3 months. The total value of remuneration relating to the notice period, including any severance pay, cannot exceed two years of remuneration, including all remuneration components, of the relevant member of the Executive Management.

The remuneration of the members of the Executive Management is assessed on an annual basis. The remuneration and the remuneration components are set and approved by the Board.

Members of the Executive Management are entitled to an annual remuneration in accordance with the Remuneration Policy, which may consist of the following fixed and variable remuneration components:

- a. fixed base salary,
- b. pension contribution,
- c. short-term incentive remuneration consisting of an annual cash bonus,
- d. long-term incentive remuneration consisting of participation in share option/warrant programs,
- e. termination and severance payments, and
- f. non-monetary employee benefits.

The choice of these components creates a well-balanced remuneration package reflecting (i) individual performance and responsibility of the members of the Executive Management in relation to established goals and targets, both in the short and the longer term, and (ii) the Company's overall performance.

The Executive Management's short and long-term incentive schemes are linked directly to the corporate and development goals supporting the Company's strategy. The composition of the remuneration of each individual executive is determined with a view to contribute to the Company's ability to attract and retain competent key employees while, at the same time, ensuring that the Executive Management has an incentive to create added value for the benefit of the Company's shareholders through variable remuneration.

The terms of employment and remuneration for each member of Executive Management are agreed between the individual executive and the Board.

Total remuneration to executive management:

| Name and position | Fixed remuneration |            |          | Variable remuneration |                 |                                 | Extra-ordinary items | Pension contribution | Total remuneration | Proportion of fixed remuneration |
|-------------------|--------------------|------------|----------|-----------------------|-----------------|---------------------------------|----------------------|----------------------|--------------------|----------------------------------|
|                   | Base salary        | Other fees | Benefits | Cash bonus            | Matching shares | Performance shares <sup>1</sup> |                      |                      |                    |                                  |
| Claus Olesen, CEO | 891 200            | 0          | 0        | 136 300               | 166 172         | 1 108 834                       | 0                    | 0                    | 2 302 506          | 39%                              |
| Total 2024        | 891 200            | 0          | 0        | 136 300               | 166 172         | 1 108 834                       | 0                    | 0                    | 2 302 506          | 39%                              |
| Total 2023        | 856 600            | 0          | 0        | 274 200               | 162 400         |                                 | 0                    | 0                    | 1 293 200          | 66%                              |
| Total 2022        | 824 000            | 0          | 0        | 238 960               | 295 260         |                                 | 0                    | 0                    | 1 358 220          | 61%                              |

<sup>1</sup> Performance shares vested in 2023 under the LTI2021 program were exercised in January 2024 and included in 2024 compensation numbers.

#### 4.1 Fixed base salary

The annual fixed base salary is intended to attract and retain competent key employees with a view to contribute to the Company's ability to obtain its short- and long-term targets.

#### 4.2 Pension contribution

Pension contributions are paid in accordance with applicable laws and employment agreements. No pension liabilities shall be undertaken, unless required by law.

#### 4.3 Short-term incentive program

Members of the Executive Management may receive an annual cash bonus determined at the discretion of the Board. The annual cash bonus is intended to align the individual members' interests with the Company's short-term targets in the Company's strategy and reward satisfactory results in relation to these targets. Payment of the cash bonus thus depends on the achievement of objectives related to the achievement of the Company's measurable goals and milestones of a financial or non-financial nature all of which reflect and support the Company's short-term objectives.

The size of the bonus may not exceed 40 % of the fixed base salary of the relevant member of the Executive Management.

For the financial year 2024, a total cash bonus of 136,300 DKK will be paid to the Executive Management during 2024, corresponding to 38% of the maximum pay-out.

#### 4.4 Long-term incentive program

Individual members of the Executive Management may at the discretion of the Board be offered to participate in share option/warrant programs.

Participation in the programs is offered to members of the Executive Management as an element of remuneration in order to ensure that the Executive Management stays focused on value creation and achievement of the Company's long-term objectives.

| Table 5: Share based programs of Executive Management |         |                    |              |                                      |                            |   |
|---|---------|--------------------|--------------|--------------------------------------|----------------------------|---|
| Name and position                                     | Program | Performance Period | Award Date   | Last vesting date (last expiry date) | Maximum number of warrants | Number of warrants vested (exercised/ expired/ outstanding) |
| Claus Olesen, CEO                                     | 2021    | 2021-2023          | May 29, 2021 | 31.12.2023                           | 360 000                    | 0   |
|   |         |                    |              |                                      |                            | (307 289/52 711/0)  |
|   | 2022    | 2022-2024          | May 24, 2022 | 31.12.2024                           | 210 000                    | 0   |
|   |         |                    |              |                                      |                            | (35 000/175 000/0)  |
|   | 2023    | 2023-2025          | May 26, 2023 | 31.12.2025                           | 180 000                    | 30 000  |
| Total   |         |                    |              |                                      | 750 000                    | 30 000  |

#### LTi2022 program:

At year-end 2024 the LTi2022 program expired. Based on the share price in December 2024 no Performance shares vested under this program.

#### LTi2023 program:

Under the LTi2023 program 30,000 warrants vested during 2024 (Matching shares), of which 30.000 were issued to Executive Management in November 2024.

In total during 2024 Executive Management vested 30,000 warrants.

#### 4.5 Termination and severance payments

No special retirement agreements shall be made, but instead shall mutual termination clauses in employment agreements apply. Termination clauses shall not exceed twelve (12) months.

#### 4.6 Non-monetary benefits

Other benefits are awarded or reimbursed on the basis of individual employment contracts and local market practices.

## 5. Remuneration | Comparative overview

The development in the remuneration of the Board and Executive Management over the past five financial years is summarized in the table below. Remuneration includes fixed compensation, variable compensation as well as exercise of incentive share options or warrants:



| Table 6: Comparison of non-share based remuneration and Company performance over the past five financial years <sup>1</sup> |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|
| Financial performance (DKK '000)  | 2024    | 2023    | 2022    | 2021    | 2020    |
| Operating profit  | -14 502 | -27 029 | -41 740 | -23 072 | -10 531 |
| Net result after taxes  | -12 932 | -22 872 | -38 455 | -21 064 | -8 697  |
| <b>Executive Management</b>   |         |         |         |         |         |
| Claus Olesen, CEO   | 1 165   | 1 131   | 1 358   | 1 061   | 936     |
| <b>Board of Directors</b>   |         |         |         |         |         |
| Magnus Persson, Chairman of the Board   | 220     | 220     | 220     | 153     | 149     |
| Annette Colin, Board member   | 90      | 90      | 90      | 58      | -       |
| Peter Holm, Board member  | 90      | 90      | 90      | 58      | 57      |
| Henrik Moltke, Board member   | 90      | 90      | 90      | 58      | 57      |
| Gunnilla Ekström, Board member  | 90      | 90      | 53      | -       | -       |
| Claus Olesen, CEO and Board member  | -       | -       | -       | -       | -       |
| <b>Average remuneration of company employees (DKK per FTE)</b>  |         |         |         |         |         |
| Company employees, incl. executive mgn  | 1 362   | 1 267   | 1 333   | 717     | 936     |
| Company employees, excl. executive mgn  | 1 024   | 972     | 921     | -       | -       |
| <sup>1</sup> Excluding warrant programs   |         |         |         |         |         |

## 6. Board of Director's and Executive Management's holding of shares

Number of shares in the Company owned by members of the Board of Directors and Executive Management:

| Table 7: Holding of shares            |                         |           |                      |        |                           |                                      |
|---------------------------------------|-------------------------|-----------|----------------------|--------|---------------------------|--------------------------------------|
| Name and position                     | Holding<br><br>1.1.2024 | Changes   |                      |        | Holding<br><br>31.12.2024 | Market value<br>End of year<br>(DKK) |
|                                       |                         | Purchased | Exercised<br>options | Sold   |                           |                                      |
| Executive Management                  |                         |           |                      |        |                           |                                      |
| Claus Olesen, CEO                     | 1 137 438               | 0         | 277 289              | 47 102 | 1 367 625                 | 6 276 715                            |
|                                       |                         |           |                      |        |                           |                                      |
| Board of Directors                    |                         |           |                      |        |                           |                                      |
| Magnus Persson, Chairman of the Board | 267 186                 | 0         | 49 215               | 0      | 316 401                   | 1 452 122                            |
| Annette Colin, Board member           | 25 000                  | 0         | 33 850               | 21 196 | 37 654                    | 172 813                              |
| Peter Holm, Board member              | 0                       | 0         | 0                    | 0      | 0                         | 0                                    |
| Henrik Moltke, Board member           | 139 106                 | 0         | 33 850               | 0      | 172 956                   | 793 782                              |
| Gunnilla Ekström                      | 19 000                  | 0         | 5 000                | 0      | 24 000                    | 110 148                              |
| Claus Olesen, CEO and Board member    | 1 137 438               | 0         | 277 289              | 47 102 | 1 367 625                 | 6 276 715                            |
| Total                                 | 1 587 730               | 0         | 399 204              | 68 298 | 1 918 636                 | 8 805 580                            |

Market value at end of 2024 is calculated based on a share price of SEK 6.85 and SEK/DKK rate of 0.67 (equal to DKK 4.59 per share).

## 7. Compliance with the Remuneration Policy

The remuneration of the Board and Executive Management for the financial year 2024 is consistent with the framework provided by the Remuneration Policy. There has been no deviation or derogation from the framework provided by the Remuneration Policy.

## **Company Information**

**Initiator Pharma A/S** Ole Maaloes vej 3  
DK-2200 Copenhagen Denmark

CVR No.: 37 66 38 08

Established: 2 May 2016 Registered Office: Copenhagen

Financial Year: 1 January – 31 December 2024