Annual Report 2025/2026

Financial year 01-04-2025 – 31-03-2026
EQL Pharma AB | Corporate ID No 556713-3425

EQL PHARMA

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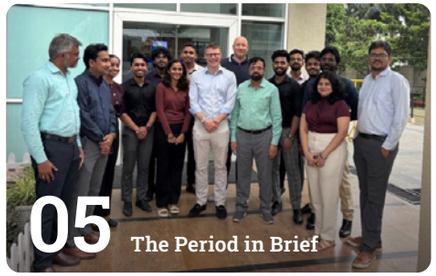
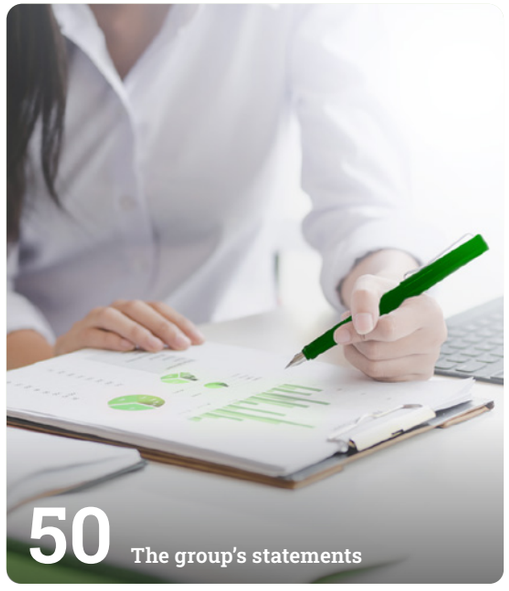
Content





We develop and market generic medicines that combine high quality with cost efficiency.

Introduction

EQL Pharma focuses on a segment that we call niche generics. This includes products where competition is limited despite the lack of patent protection.

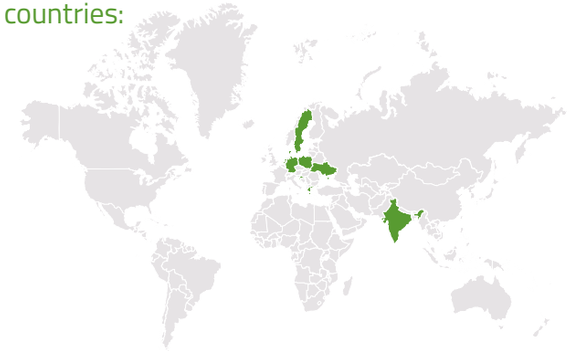
Brief Introduction to EQL Pharma

We identify, develop and market niche generics with the same quality and medical efficacy as originator medicines — at a more favorable price. Through collaborations with pharmacies, hospitals and partners in strategic markets, we make effective medicines more accessible in the Nordic region, Europe and parts of Asia.

We are headquartered in Lund, Sweden, with an additional office in Bangalore, India. These are complemented by a network of collaboration partners across the rest of Europe and worldwide.

EMPLOYEES

EQL Pharma has employees located in the following countries:



Sweden, Denmark, the Netherlands, Germany, Poland, Croatia, Greece, Ukraine, Hong Kong, India.

Read more about our employees

FOUNDED

2006

by Christer Fåhraeus and Karin Wehlin

PRODUCTS

47

NUMBER OF EMPLOYEES

60

of whom 23 are based in Sweden

NUMBER OF SHARES

29,529,610

Listed on Nasdaq Stockholm Small Cap

The Period in Brief

New markets for Mellozzan

EQL's key product Mellozzan® is now available in additional countries. During the autumn, Mellozzan® was launched in the United Kingdom by our partner Medice. Shortly thereafter, Mellozzan® was approved for sale by the Turkish Medicines and Medical Devices Agency and will be manufactured and launched by Abdi Ibrahim in Turkey in 2026. Italy is also a new market for Mellozzan®. There, Mellozzan® will be provided by EQL's licensing partner Italfarmaco S.p.A. The launch in Italy is expected to take place during the first half of 2027.

Read more about our markets on page 13

Five-year plan

During the year, a new five-year plan was developed. The plan will guide our work in the coming years and will be reviewed regularly.

Read more about our strategy on page 12

New employees

In December, Anne D Jensen was recruited as the new Chief Sales Officer (CSO), and Allan Sylvest Aasberg as CFO. EQL Pharma is also in the process of appointing a Chief Supply Chain Officer (CSCO) to secure supply chains in a challenging environment.

Read the employee interview with Anne on page 24

Memprex launched by Dr. Pfleger in Germany

EQL's key product methenamine hippurate has now received marketing authorisation from the healthcare authorities in Germany, where it will be made available to patients by EQL's licensing partner Dr. Pfleger under the EQL-owned brand Cystohipp®. The product was launched in June 2026.

Cystohipp® is the only methenamine hippurate product registered in Germany. German patients with recurrent urinary tract infections will now, for the first time, have access to an equivalent alternative to antibiotics — an option that does not increase the risk of developing antibiotic-resistant bacteria.

Read more about Memprex on page 8

Visit to Bangalore

During the year, we made several visits to our office in Bangalore, India. Intensive days of meetings and focused work were rounded off with evening team-building activities, including cricket.

Read more about our employees on page 31

Key Figures

NET SALES (MSEK)	SALES GROWTH (%)
432.7	16
(2024/2025: 373.5)	(2024/2025: 41)

GROSS PROFIT (MSEK)	NET PROFIT FOR THE YEAR (MSEK)
162.8	12.5
(2024/2025: 156)	(2024/2025: 43.1)

RESULT PER SHARE (SEK)	EBITDA (%)
0.42	17
(2024/2025: 1.48)	(2024/2025: 21)

History and Significant Events

2006

EQL Pharma is founded by Christer Fåhraeus and Karin Wehlin in 2006 on the basis that generics prices fell slowly in the Nordic market after a patent for an originator product expired.

2008

In 2008 the Company launches its first product, Venlafaxine EQL Pharma in Sweden.

2009

Metformin is launched in 2009. In the same year the first product is launched in Finland, Anastrozole, and the Company announces a profit for the first time. Several generics players start to provide Anastrozole and the price falls considerably faster. In a strategic change the Company therefore chooses to refocus the strategy on so-called niche generics.

2010

In 2010 EQL Pharma releases its first product in Denmark and several new development projects begin.

2011

The first of EQL Pharma's own developed products are sent to the regulatory authority in 2011 to be granted marketing authorization.

2013

In 2013 the company launches its first niche generics, Doxycycline and Phenoxymethylpenicillin, in Sweden. The Company is listed on AktieTorget (now Spotlight Stock Market) in connection with a new share issue in 2013.

2014

Hydroxine is launched in 2014, a year when EQL Pharma's basic portfolio includes 15 products. The strategic change continues in that certain products are phased out as a result of increased competition and poor profitability.

2015

In 2015 Cadila Pharmaceuticals Ltd invests SEK 32.5 million in EQL Pharma and thereby becomes an important strategic international partner and an extensive collaboration for the development of new niche generics begins.

2016

In 2016 the position of Business Development Director is established, an important step signaling the start of robust expansion of EQL Pharma's portfolio of development products. EQL Pharma includes parallel import of medicines in its offering in Sweden.

2017

In late 2017 a three-year collaboration agreement is signed with a leading generics company regarding the medicine Potassium Chloride for sales in Denmark, Norway and Finland.

2019

Sales of Methenamine Hippurate begin in the UK with a local partner in 2019. It is the first product developed by EQL Pharma to be sold outside the Nordic countries. Paracetamol, MagnesiumHydroxide, Clindamycin and Pregabalin are launched the same year.

2020

Metronidazole and Hevicain (bupivacaine) are launched in 2020. Work on expansion in Europe outside the Nordic countries is initiated in 2020. The Covid-19 pandemic results in EQL Pharma temporarily including medtech products and consumables for healthcare in its offering in Sweden.

2021

Mellozzan (melatonin), Folic Acid and Fenoximethylpenicillin oral solution are launched in 2021. In the same year EQL purchase licenses for Prednisolone, Codeine, Methadone, Morphine and Furosemide in Denmark.

2022

In 2022, EQL began a comprehensive effort to out-license the brands Mellozzan (melatonin) and Memprex (methenamine hippurate) in Europe. Today, EQL Pharma is a profitable company with 25 marketed generics, excluding parallel imported medicines, and a pipeline of 32 upcoming generics. In 2022, EQL launched cholecalciferol, abiraterone Qilu and Ondansetron.

2023

Mellozzan (melatonin) is launched in Denmark and Norway by EQL Pharmas license partner Medice Arzneimittel Pütter GmbH & Co. KG and gets marketing approval in Germany and Austria. The company is once again appointed Gazelle Company in Skåne by Dagens Industri.

2024

The company's key product, Mellozzan, receives marketing approval from the health authority in the United Kingdom, where the product will be supplied by the company's licensing partner, Medice Arzneimittel Pütter GmbH & Co. KG.

EQL Pharma changes its trading venue and is listed on Nasdaq Stockholm.

2025

EQL signs an exclusive distribution agreement with Pharmalink for the product Mellozzan in the GCC region. This marks the first agreement covering sales outside Europe.

2026

The key products Mellozzan and Memprex receive marketing authorisation and are launched in markets including Germany, Turkey and Italy.

Comments from the CEO

The 2025/26 financial year, the first year of EQL's new five-year plan, was a year of weaker growth and profitability. The Group's revenue amounted to SEK 433 million (374), an increase of 16 percent. The EBITDA margin amounted to 17 percent. The weaker growth and profitability are mainly attributable to delayed launches and supply chain challenges, combined with an increase in the workforce aimed at equipping the company to deliver on its new five-year targets for 2028/29. These challenges are deemed to be temporary in nature and are not expected to affect the company's ability to achieve its long-term targets.

During the year, we strengthened the company by expanding the team, primarily within Regulatory Affairs and Quality Assurance, upgrading the management team in several key positions and developing our strategic key assets, Mellozzan and Memprex. A new business area, Special Generics, has been added, and work has begun to establish EQL in Germany and the Netherlands. Furthermore, the process of taking over the four products acquired from Medilink in January 2025 has progressed according to plan, and the portfolio is performing above our expectations. The operational challenges we have faced during the year, related to launches and logistics, have highlighted the need to upgrade key processes and systems. This work is being carried out with full focus, and as a company these challenges have provided us with important lessons for the future.

The first year of the new five-year plan ends below our targets, both in terms of growth and profitability. The forecast for the next financial year, 2026/27, is for similar growth of around 15 percent. However, the softer start to the five-year period is not expected to affect our ability to achieve the targets over time. The most important activities required to return to strong growth are to: 1) work more closely with key suppliers and increase transparency in the value chain in order to avoid stock shortages and destruction; 2) carry out the most important launches, including new markets for Mellozzan and Memprex; 3) optimize production for Memprex and reduce COGS for both Memprex and Mellozzan; and 4) ensure that fixed costs, OPEX, increase only marginally over time. In addition, to secure long-term growth beyond the current five-year plan, it is essential to: 1) identify and sign niche portfolios for Germany and the Netherlands; 2) add new markets for Mellozzan and Memprex; and 3) launch and grow the first products within Special Generics.

Business Development – Two New Products Launched, Eight Approved and Nine Added to the Pipeline

During 2025/26, EQL launched two products (ten), received eight approvals (five) and added nine new products (20) to our pipeline. One product (zero) was removed from the portfolio and seven products (two) were removed from the pipeline. This means that EQL's total number of products, in the portfolio and pipeline combined, increased from 90 to 91 during the year. The seven products removed from the pipeline comprised a portfolio of distribution products that was largely driven by one product with attractive potential. When the outlook for that product deteriorated, it no longer made sense to retain the portfolio. Such a reduction in the pipeline also enables increased focus on the most important pipeline products.

Adding new products to the pipeline, securing approvals and carrying out launches are the engine that drives EQL's organic development forward. The hospital segment continued to grow as the company won new tenders. Write-

This work is being carried out with full focus, and as a company these challenges have provided us with important lessons for the future.

downs within the hospital portfolio had a negative impact on 2025/26, but the company's assessment is nevertheless that the segment remains structurally attractive, provided that working methods related to hospital products are upgraded.

Nine products were added to the pipeline during the year. These products are a mix of pharmacy and hospital products, six of which are Special Generics products. The products that added to the pipeline have a Nordic profile. One of the products is considered to be of interest for the German and Dutch markets, where the plan is for EQL to launch it directly.

The new product area Special Generics was announced at the Capital Markets Day on 7 March 2025. During the year, the first six products for this business area were signed, and the first launch will take place in autumn 2026.

EQL sells products either directly or through partners in the Nordic region, the United Kingdom, Poland, Portugal, Germany, Austria, Switzerland, the Baltics, the Czech Republic, Slovakia, Malta and Israel. In addition, procedures and launch activities are ongoing in Benelux, the Gulf countries, France, Italy, Ireland, Kazakhstan and Turkey. In general, EQL's Nordic products have limited potential outside the Nordic region. In some cases, however, opportunities exist, and we work methodically to identify these through our internal licensing team.

New Deals and Milestones for Mellozzan

During the year, we achieved a number of important milestones for our strategic key product Mellozzan:

- **GCC (Gulf Cooperation Council)** – regulatory submission has been completed and approval is expected during 2026/27, after which launch activities will begin with the aim of launching during 2027/28.
- **France** – Medice has taken over the territory from H.A.C. Pharma and is evaluating the appropriate strategy
- **Italy and Spain** – Italfarmaco has received marketing authorization in Italy and launch is expected during 2027/28. For Spain, we are still evaluating whether, and if so how, the product can be registered, as the market there is more complex.
- **Germany, Austria and Switzerland** – EQL's partner Medice launched the product in 2024 and has seen good growth during its first two years on the market.
- **United Kingdom** – Medice has launched the product with good initial market feedback.
- **Ireland** – An agreement has been entered into with Azure Pharma and preparations for regulatory submission are ongoing.
- **Turkey and Kazakhstan** – Launch activities are ongoing in Turkey and marketing authorisation in Kazakhstan is expected during 2026/27.

Our royalties for Mellozzan are in the region of 20 percent on all sales in Europe, and between 5 and 15 percent depending on country and structure outside Europe. For the GCC region, an agreed transfer pricing model applies, providing a healthy margin for EQL. By way of comparison, sales in Sweden of the substance melatonin, in a population of ten million, exceed SEK 200 million annually for the paediatric indication. Several strong players are active in the Swedish market, but in several European markets we see potential to become the leading brand. The key lies in finding the best partners in child psychiatry in each market and reaching the market quickly. Several dialogues are ongoing regarding new European and non-European territories. EQL owns all rights to the Mellozzan brand.

New Deals and Milestones for Memprex

During the year, we also made good progress with our second strategic key product, Memprex.

- **United Kingdom** – our partner Advanz continues to grow sales. For 2026/27, until we have increased production capacity for Memprex, the main challenge will be to meet steadily growing demand.
- **Germany** – Dr. Pfleger has received marketing authorisation and the product was launched in June 2026 under the brand Cystohipp.
- **France** – Majorelle has received marketing authorisation and launched the product in June 2026 under the brand Altaromin.

- **Benelux** – Goodlife has submitted an application for marketing authorisation and approval is expected during 2026/27.
- **Ireland** – Azure has submitted an application for marketing authorisation and approval is expected during 2026/27.

For Memprex, a fixed sales price applies between EQL and our partners, which will generate a sound market-based margin for EQL. The total existing market for Memprex's active substance, methenamine hippurate, is approximately SEK 100 million in Sweden and Norway and the UK. The objective is to establish Memprex, including Cystohipp and Altaromin, as the leading brand in several European markets where methenamine hippurate is currently not available. Several dialogues are ongoing regarding new European territories. EQL owns all rights to the Memprex brands.

The Company's Long-Term Targets

In March 2025, EQL held the first Capital Markets Day in the company's history. The focus was on the new five-year plan, which sets the targets for the period 2024/25–2028/29, corresponding to four full financial years. The new targets are:

- **Sales growth:** 30 percent CAGR, with four main components to achieve this: 1) launch of pipeline products; 2) continued expansion of Mellozzan and Memprex; 3) the new Specialty Generics business area; and 4) acquisitions of products or companies when the timing is right and leverage allows.
- **EBITDA margin:** Our target is to stabilize the EBITDA margin at 25 percent during the first half of the period. Thereafter, our target is to stabilize it above 25 percent.
- **Leverage:** Our target is not to exceed peak leverage of 4.0x EBITDA and to steer leverage towards 2.5x EBITDA. The leverage ratio will be higher for a period immediately following an acquisition, before gradually being reduced to create room for the next acquisition.

Concluding Remarks

The 2025/26 financial year was the most challenging year for EQL since I started working with the company. Despite this, we managed to deliver 16 percent growth and add many interesting new products to the pipeline. In 2026/27, massive focus will be placed on ensuring that the financial targets for 2028/29 are achieved. Given the softer start to the period, hard and focused work will be required to succeed, but our forecast is that, as with previous five-year plans, we will also succeed with this one.

Growth in the Branded products stood out positively during the year, particularly Memprex. We see significant growth potential in both Memprex and Mellozzan in the coming years, as well as opportunities for significant margin improvements. Furthermore, our pipeline remains strong and growing, enabling continued organic growth across several dimensions. Several products added in 2025/26 belong to Specialty Generics, and in 2026/27 we look forward to launching the first product of a more significant nature within this business area.

Finally, I would like to thank our employees and partners for the work they have put in during the year.

Axel Schörling
CEO EQL Pharma AB (publ)

During 2026/27, strong focus will be placed on ensuring that the financial targets for 2028/29 are achieved.

Objectives and Strategies

We work according to an established strategy that includes the company's vision, mission, business concept, business model, and goals.

Strategy

EQL Pharma's business model is based on identifying medical and commercial niches and markets where the company can develop and make available cost-effective generic medicines with clear value for patients, healthcare providers and society.

Through a capital- and resource-efficient organization, the company works closely with specialized partners in development, production and distribution, while maintaining its focus on product selection, regulatory work and commercialization.

The strategy is put into practice through a structured process in which market analysis, carefully selected product launches and long-term partner relationships create the conditions for sustainable growth and increased profitability.

In addition to our business model, our strategy also encompasses our vision, mission and business concept. We work to ensure that the strategy is embedded among all employees and guides us in our day-to-day work.

VISION

EQL Pharma shall be a driving force for medical accessibility by offering tested therapies to new European markets and thereby contribute to equal and optional care.

MISSION

EQL Pharma shall reduce healthcare costs in Europe by identifying, developing and offering top-quality niche generics for the benefit of both patients and society.

BUSINESS CONCEPT

EQL Pharma's business concept is to identify, develop and sell generics, i.e. medicines that are medically equivalent to originator products whose patent protection has expired. By supplying high-quality medicines at a low cost, the Company contributes to significant cost-savings for patients and healthcare, and thereby to better health.

BUSINESS MODEL

EQL Pharma works actively on investigations and evaluations followed by development, purchase or in-licensing of products for the manufacturing and selling of new niche generics, for which the Company identifies markets with little or no competition apart from the originator product. At present, EQL Pharma works only on prescription niche generics.

Objectives for EQL Pharma

We have targets that we work towards on an ongoing basis. These targets are divided into two categories: operational targets and financial targets.

Business Objectives for the Period 2024/2025 – 2028/2029

Become a leading player in niche generics in the Nordics and become a leading European generics company within five to ten years.

Comment:
Achieved. We are now a well-renowned and significant player in the Nordic market. We are on track to expand in Europe through strong partner agreements and our branded products Memprex and Mellozzan.

Long term aspiration to build higher brand recognition.

Comment:
Ongoing work. We will launch a new website during the financial year.

Keep investing in the development of the product portfolio.

Comment:
A review was conducted during 2025/26, resulting in the removal of one product from the portfolio and seven products from the pipeline. This enables greater focus.

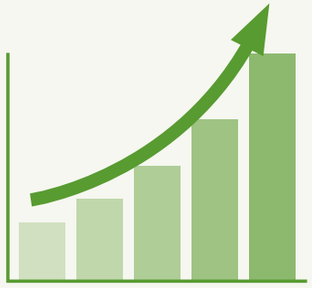
Strong, sustainable and profitable growth.

Comment:
Ongoing work. Please see our financial targets on the right.

Financial Targets for the Five-Year Period 2024/2025 - 2028/2029:

Increase revenue with an annual growth rate of 30% (CAGR), using the full year 2024/25 as the starting point and the full year 2028/29 as the endpoint.

Comment:
Four main components will support the achievement of this target: 1) the launch of pipeline products; 2) the continued expansion of Mellozzan and Memprex; 3) the new Specialty Generics business area; and 4) acquisitions of products or companies when the timing is right and leverage allows.



The EBITDA margin is expected to stabilize at 25 percent at the beginning of the five-year period, and thereafter remain above 25 percent.

Comment:
The EBITDA margin was 17% at the end of the period.

Leverage was 5.0x EBITDA. Measures have been taken to stabilize EBITDA at a maximum of 4.0x.

Strategic Considerations

Niche generics are generics with little or no competition to the originator medicine. This competitive advantage is expected to last for the foreseeable future. The limited competition is because these medicines have a small turnover globally in monetary terms and in but a relatively larger turnover in one country or region. This situation means that larger generic companies have not shown much interest in these local/regional medicines.

For the above reasons, the barriers to entry for competitors in niche generics are higher than for regular generics. In addition, EQL Pharma's niche generics are mostly self-produced products. For a competitor to gain a position, they have to develop and manufacture the products themselves.

EQL Pharma's Core Competences and Strengths

In general, pharmaceutical companies in-license generic products from companies that have already developed them or newly develop the product together with a Contract Development & Manufacturing Organization.

EQL Pharma works actively with research and evaluation, followed by developing, purchasing, or in-licensing products for manufacture and sale. The aim is to identify markets or therapies where we see strong potential for profitable growth. These may include markets with little or no competition beyond the original branded product, or specific therapeutic needs and patient groups.

In in-licensing, EQL Pharma identifies an available product somewhere in the world and acquires it as a license to manufacture and sell. The niche generics the Company is interested in are often unavailable for purchase or licensing as fully developed products. The only alternative is to develop them oneself.

Predictable Demand and Price

The Company applies a retrospective approach, focusing on old patent expirations, and can therefore develop generics that have a stable and predictable demand and price. Many generic companies instead apply a forward-looking strategy in which they develop generics in relation to future patent expirations, something that gives rise to uncertainty and subjectivity about whether a patent or patent cluster will actually expire, as well as uncertainty about how many competitors are developing the same generic.

The challenge within niche generics is to find medicines where the originator product has been without patent protection for a long time, and where the Company deems there is little likelihood of competition, even after the approximately three to four years it takes for the Company to get approval for the medicine from the Medical Products Agency and launch the product.

A Reasonable Level of Risk

EQL Pharma develops or licenses niche generics based on their estimated return on invested capital. As a large number of projects have been identified, the generics selected are those deemed to provide the best return on invested capital while having a reasonable level of risk from competitive, regulatory and development perspectives. Costs incurred in development projects are capitalized continuously.

EQL Pharma has a strategy of continuing to invest in its product portfolio. This is capital intensive, but sales revenues are expected to rise at the same or higher rate.

Efficient Outsourcing

With an aim to have an efficient organization and low costs, product development –encompassing clinical testing, research and extensive documentation – as well as production, warehousing and distribution are carried out through outsourcing to external parties in Lund and the rest of Europe and the world. The Company has decided not to invest in an extensive internal sales and marketing organization. When goods are ordered, the products are delivered straight to distribution partners from contract manufacturers. This means that EQL Pharma does not need to stock products in its own warehouses, even though the responsibility for stock remains with EQL Pharma until the customer has purchased the goods.

Growth Strategy Geographically and Through New Products

The geographic focus for sales has been the Nordic region. Several products in the portfolio also have an existing market or potential in other European countries, forming an essential basis for our expansion strategy for Europe

Several products in the existing portfolio also have an established market or potential in other European countries, forming an important foundation for our European expansion strategy, which was initiated in 2021.

covering 2021 and beyond. To enable expansion in Europe, we invest in internal and external resources to understand the characteristics of the markets. Based on this, it can then be selected which products to sell in which markets, and a marketing and sales strategy can be established.

In parallel with this, registrations are ongoing and being prepared in selected countries for the first wave of products with clear European potential.

EQL Pharma's main growth strategy has two main components, partly a geographical dimension, where new markets are added for already existing products on the European market, and partly a product dimension, where expansion is carried out via the Company's well-established Nordic approach for identification and development of niche generics in existing markets. Like the Nordic countries, Europe has a number of countries with originator medicines that have little or no generic competition, even though the patents expired a long time ago.

Market Growth Strategy Towards Pharmacies

EQL Pharma sells niche generics to pharmacies in Sweden, Denmark, Norway and Finland under its own brand and in Iceland, UK, Germany, Poland, Portugal, Switzerland, Czech Republic, the Baltics, Malta, Cyprus and Austria through partners. Agreements are signed with partners for sales in France, Italy, Israel, Saudi Arabia, Qatar, the United Arab Emirates, Bahrain, Kuwait, Oman, Turkey, and Kazakhstan.

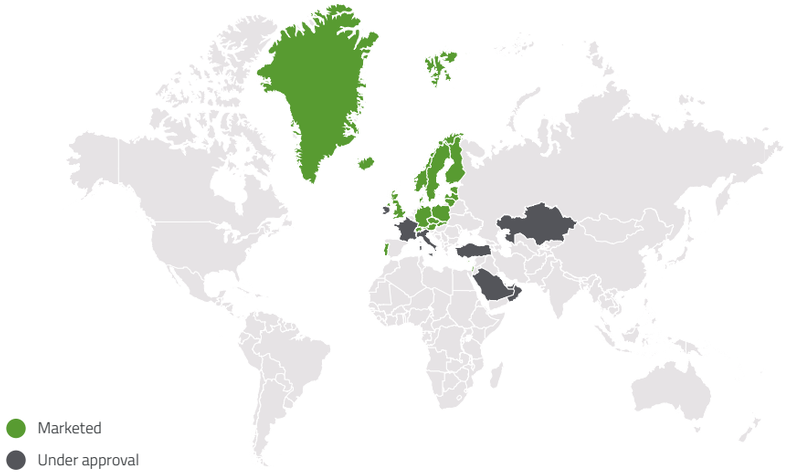
The pharmacy segment in the Nordic region applies a lowest-price principle that is now spreading in Europe outside the Nordic region. The price systems in Germany, the Netherlands, and the UK, where the company launched its first product in 2019, are based on the lowest-price-principle. This creates opportunities for EQL to apply its niche strategy for generics in its expansion in Europe. The market for pharmacies is considered by EQL to account for a continued significant part of the Company's growth during the next five-year period.

Growth in the Market Towards Hospitals

Since 2020, EQL Pharma also sells directly to hospitals. Many countries, such as Finland, have different procurement systems for hospital and pharmacy products, which may lead to a preference for direct sales in the hospital market and indirect sales in the pharmacy market. The growth strategy in the hospital market may therefore differ from the strategy in the pharmacy market.

Hospital markets in Europe are often fragmented. Procurement of medicines for hospitals can be carried out by individual hospitals, via regional procurement groups or through umbrella organizations. How procurement takes place significantly influences the choice of sales strategy. For example, in some cases a considerable sales force is needed, while a very limited organization may suffice in other cases.

EQL Pharma has sales to the hospital market under its own brand name in the Nordic countries. We have also agreed to act as an agent for three foreign generic companies



to supply their products in the Nordic region, mainly in the hospital segment.

Pharmaceuticals sold through procurements to the healthcare sector are expected to increase significantly in importance for the Company during the upcoming five years according to our expectations.

Pricing Strategy for Niche Generics

Since EQL Pharma sells generics in an open competitive market, price and logistics play a major role in achieving results. Our goal is to achieve a reasonable share of the total annual sales with marginal price adjustments on its niche generics compared to the current price of the originator medicines. This can be done with the support of penetration-promoting systems such as public procurement and subsidy systems similar to the Swedish Periodens Vara (PV) system.

Although the hope is that EQL Pharma will become the sole competing generic manufacturer of the original medicines concerned, we assume, for reasons of caution, in our calculations that at least one additional competitor will be established for the respective originator medicines. Our judgment is that even a market with three to four suppliers of a substitutable product will allow all players to reach a market share with reasonable prices and margins.

An originator medicine always has a market advantage by being well established and a safe choice for the consumer. It is likely that some consumers will continue to purchase the original drug due to brand recognition and that there is only expected to be a small difference in price in EQL Pharma's favor during the periods when we have the most favorable price. We have also taken this into account in our sales calculations.

Operations

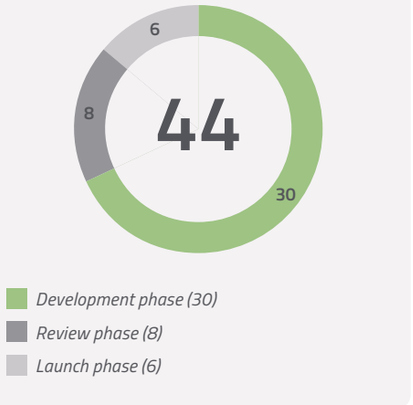
EQL Pharma's generic development process is fast and cost-effective. We currently have 47 approved and marketed medicines in our portfolio.

Project Portfolio and Pipeline

EQL Pharma's marketed portfolio consists of 47 approved and marketed generic medicines, the majority of which are offered in several different strengths and pack sizes to meet the varying needs of patients and healthcare systems in our markets.

During the year, two new products were launched: ertapenem and prasugrel. In line with our ongoing portfolio management, we also discontinued one product, eletriptan, which no longer met our commercial criteria.

Pipeline at the End of Period



This balanced mix — combining internally developed products, in-licensed products and lifecycle management initiatives — provides a strong foundation for continued portfolio growth.

A Dynamic and Evolving Pipeline

Our pipeline of new product development and in-licensing projects is constantly evolving and under continuous development. New products are added on an ongoing basis, while others may be delayed or discontinued as our product evaluation process progresses.

The pipeline includes both products in the development phase, which are advanced together with partners, and products for which EQL has secured licensing or distribution agreements for one or more markets without having developed the product itself.

From Development to Pharmacy Shelf

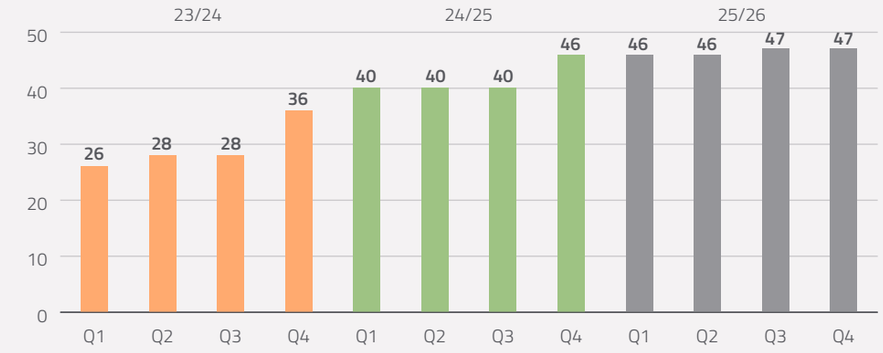
Each product goes through three main phases on its path to market.

Development phase. Once a product is fully developed — either together with a partner or through a licensing or distribution agreement — an application is submitted to the relevant medicines authorities in each market where we intend to commercialize the product.

Review phase. The authorities then carry out a formal review of the application. This process generally takes approximately one year from submission to approval.

Launch phase. Once a product has been approved for sale, orders can be placed for manufacturing and delivery. In parallel, we submit tenders in public procurement processes and seek out-licensing opportunities where such opportunities exist. It usually takes 6–12 months from approval until the first pack is delivered to pharmacies, but we always strive to reduce this timeframe.

Development Portfolio



Developments in the Product Portfolio in 2025/26

During the year, the pipeline saw a strong inflow, with nine new products contracted across business areas. On the launch side, we faced headwinds in the form of launch delays, mainly driven by challenges among development partners and suppliers. These projects represent the final — and most complex — development programmes initiated during the COVID-19 pandemic. As these development programmes initiated after the COVID-19 pandemic now mature, we expect a higher launch rate in the coming years.

Activities during 2025/2026	#
New products launched	2
Products added to the pipeline	9
Pipeline projects discontinued	7
Products withdrawn from the market	1

The nine newly added pipeline projects were partly offset by the discontinuation of seven less attractive projects, reflecting our continued disciplined approach to prioritizing the most commercially attractive opportunities.

Outlook

In the coming year, we expect to launch several products as our most complex development programmes reach maturity, combined with the first launches from the post-pandemic programmes. These include the introduction of our transplantation portfolio, which represents an entirely new business area for EQL Pharma and an important step in broadening the scope of our offering.

Niche Generic Product Development and Production

EQL Pharma's process for developing generics is fast and cost-effective. Focus is to select medicines that can be registered with a bioequivalence study, a so-called bio-waiver.

A bioequivalence study, is a clinical study carried out on healthy volunteers to demonstrate the concentration of the active substance in the blood (plasma concentration). This concentration must be equivalent to that of the originator medicine, meaning that the product is medically equivalent and of the same quality as the originator medicine. This saves time and money and ensures that the preparations are equally safe and effective.

CRO and CMO for Product Development

EQL Pharma uses leading Contract Research Organizations (CROs) and major pharmaceutical companies in Europe, India and Indonesia in product development for clinical testing, research and extensive documentation. In connection with the start of the process, the new product's components are formulated and an agreement is entered into with a CRO or a pharmaceutical company, which during the preparation process is assisted by EQL Pharma in areas such as regulatory work and the compilation of documentation (dossier) for an application that will be submitted later in the process to the regulatory authority. After about two to three years the development and clinical studies are completed and the dossier is then submitted to the regulatory authority. After that, it generally takes about one year before a final statement and possible approval are obtained, after which sales can commence.

On the production side, the Company uses Contract Manufacturing Organizations (CMOs).

What does "Biowaiver" mean?

Biowaiver literally means that a bioequivalence study is not required for that product. The reason a biowaiver is granted is often because the product contains a substance that the body naturally produces, such as vitamin D, which makes it difficult to compare different products since the body's own production varies greatly over time due to external factors, such as sunlight in the case of vitamin D.

Period from contract to launch: 3–4 years

Regulations, Permits, and Certificates

In order to conduct the trade, import and export of medicines, EQL Pharma holds wholesale permits, production permits, narcotics permits and Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP) certificates.

GMP stands for Good Manufacturing Practice and is a framework for how medicines are produced in safe and secure conditions and guarantees the content of the products. GDP stands for Good Distribution Practice and sets up guidelines for the safe distribution of medicines. It regulates, for example, temperature control and what types of goods are allowed to be transported together. Overall, EU GMP and GDP aim to guarantee the products' content and integrity throughout the value chain.

In addition to these regulations, the pharmaceutical industry has also had to comply with the Falsified Medicines Directive (FMD) since 2019. FMD is a regulation that aims to prevent falsified medicines from getting into the legal supply chain. This is achieved through each individual pack being allocated its own identity through a so-called 2D code, which is physically on the pack and also digital in a central EU database. When the pack is dispensed at the pharmacy, the pharmacist scans the code to check that the pack is in the database and thus legitimate. Furthermore, almost all medicines sold in Sweden must be approved by the Swedish Medical Products Agency or the European Medicines Agency.

The company also offers some medical devices, such as COVID-19 antigen self-tests. Medical devices must comply with applicable regulations to be marketed, which generally includes having approved CE markings, which the company has obtained for its relevant products.

In addition to the above regulations, specific rules apply to the parallel importation of pharmaceuticals. A parallel importer must have a wholesale permit, and the entity repackaging the medicine for the Swedish market must have a manufacturing permit. Repackaging is considered manufacturing, requiring a manufacturing permit from the Swedish Medical Products Agency. For the parallel import and parallel trade of narcotic drugs, the parallel importer or wholesaler must also have a permit to bring narcotics into Sweden. Additionally, a parallel imported drug cannot be sold until approval has been granted by the Swedish Medical Products Agency. For parallel distributed drugs approved by the European Medicines Agency, equivalent permits from the European Medicines Agency are required.

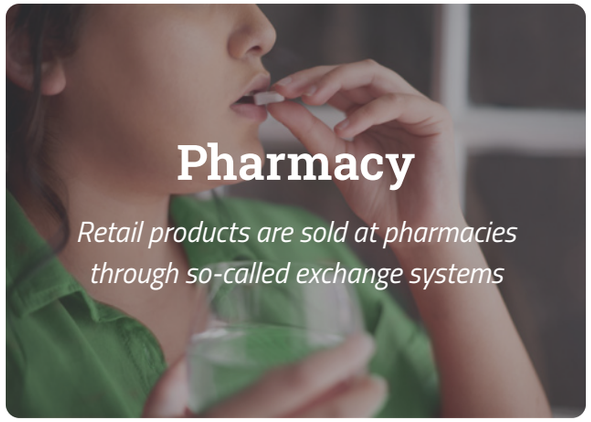
EQL Pharma's permits have been obtained by demonstrating proper processes and procedures to the Swedish Medical Products Agency and corresponding authorities in other countries. These permits are maintained and renewed regularly. The pharmaceutical authorities periodically inspect EQL Pharma, which must meet their requirements to avoid the risk of having permits revoked or receiving notices on how operations are conducted. Ensuring a high level of operation and integrity, and thereby ensuring smooth lifecycle management of the permits, is of utmost importance and a top priority on the company's agenda.

As part of ensuring high quality and integrity in its operations, EQL Pharma conducts regular inspections of its developers, manufacturers, and suppliers. During these inspections, the company reviews all aspects of their operations in detail, from manufacturing processes to storage, environmental impact, and local working conditions. Additionally, the company performs an annual analysis of all its products from a manufacturing perspective, where information about all produced product groups and their launch into EU markets is thoroughly reviewed.

As part of ensuring high quality and integrity throughout the business, EQL Pharma in turn conducts regular inspections of its developers, manufacturers and suppliers.

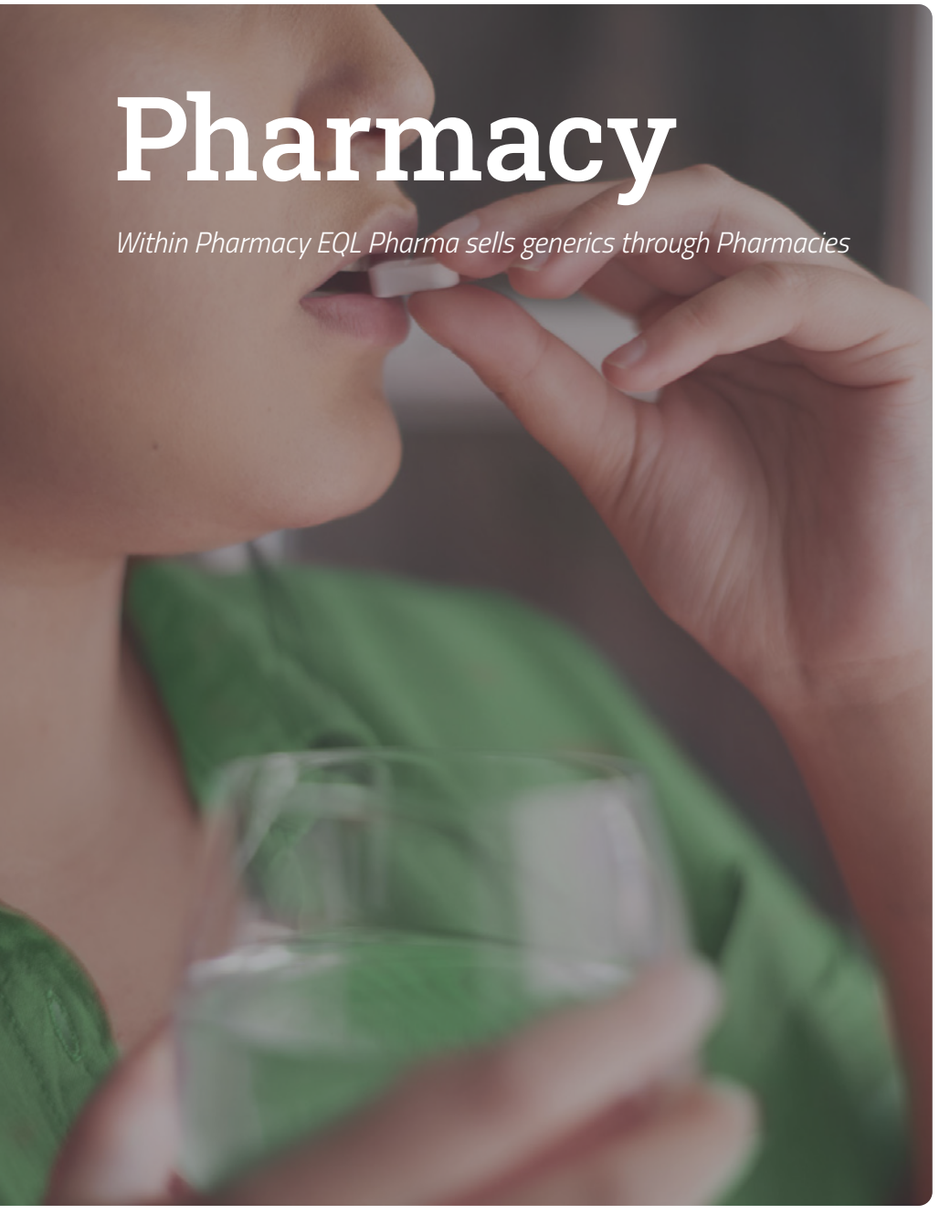
Sales and Marketing Models

EQL Pharma's niche generics can broadly be divided into four categories based on four different sales and market models: Pharmacy, Hospital, Branded and Specialty Generics.



Competitors

In EQL Pharma's current markets, there are generally around 20 active players with several of whom the Company has directly competing products. The most important of these are currently Viatris (formerly Mylan/Meda), Orifarm Generics, Evolan Pharma and AGB Pharma. As EQL Pharma launches more products, in new markets, the competitive landscape changes to include additional key competitors. Each product development is checked against the current competitive situation for that particular generic, and the strategy includes choosing products with no or low competition. In the run-up to the launch, the competitive situation is continuously evaluated.



Pharmacy

Within Pharmacy EQL Pharma sells generics through Pharmacies

In many countries, legislation and regulatory frameworks are designed to reduce healthcare costs by ensuring that medicines containing the same active substance are available in the appropriate formulation at the lowest possible price. While the originator product often remains on the market, patients are typically dispensed the lowest-priced alternative.

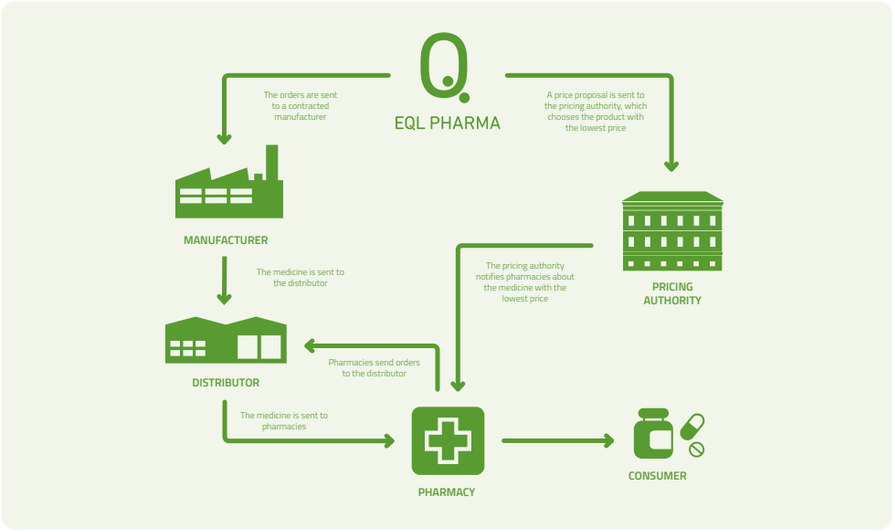
Products within the Pharmacy segment are sold through various substitution systems, generally governed by price and product availability. One example is Sweden's "Product of the Month" (Periodens Vara, PV) system, which covers nearly 80% of all prescription medicines dispensed by Swedish pharmacies each day. The PV system enables the government, as the subsidizing payer through the national pharmaceutical benefits scheme, to maximize the value obtained from public spending. Within each substitution group, only the lowest-priced product is dispensed.

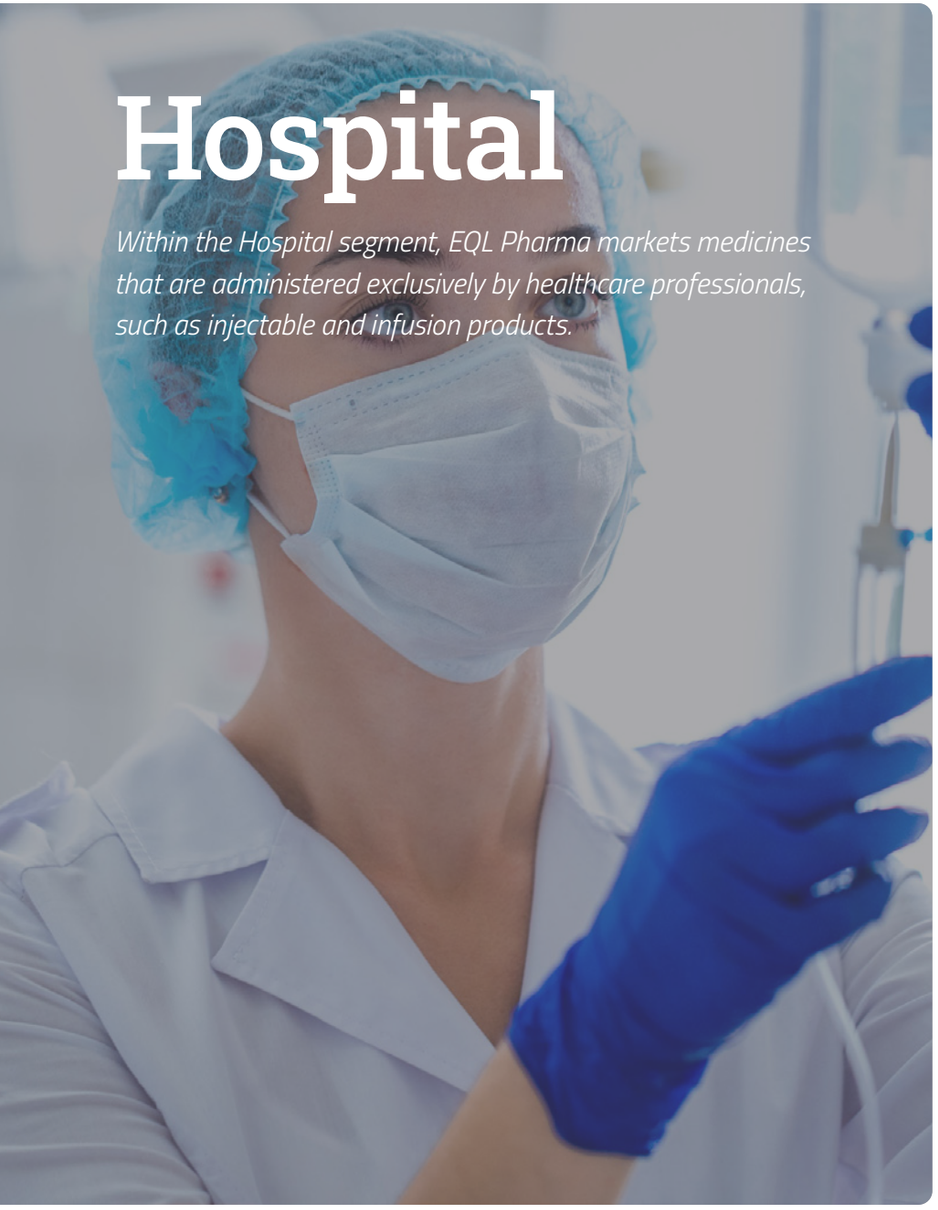
Similar systems exist in many other countries. In some markets, private insurance companies assume the role of payer, but the outcome is essentially the same – price is decisive.

Price-Driven Market Dynamics

A key advantage for EQL within Pharmacy is that no significant sales or marketing resources are required, as purchasing decisions are primarily driven by price. With competitive pricing and reliable product availability, sales are generated automatically and without delay. Conversely, if a competitor offers a lower price, sales volumes can decline rapidly.

As a result, inventory planning, supply chain management and deep market knowledge are critical capabilities for EQL. These enable EQL to balance opportunities and risks in markets when prices change rapidly on an annual, quarterly, monthly, weekly or even daily basis.





Hospital

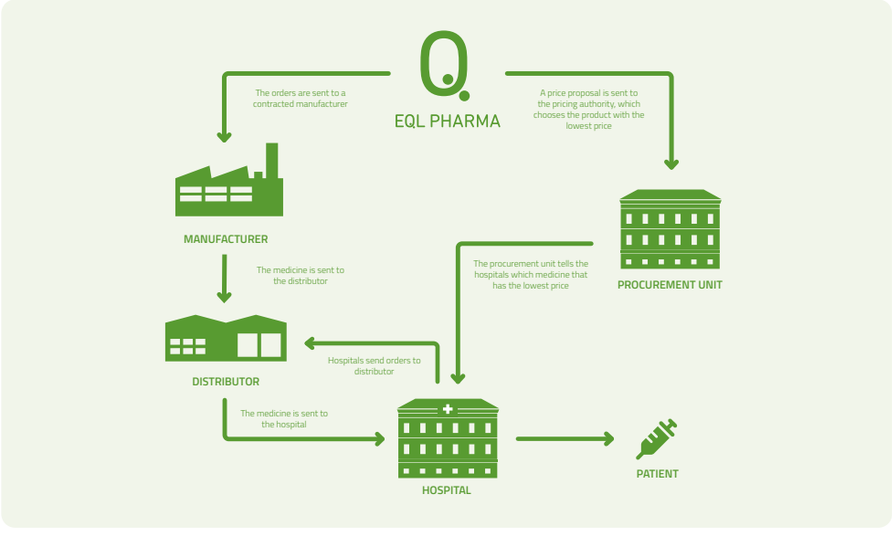
Within the Hospital segment, EQL Pharma markets medicines that are administered exclusively by healthcare professionals, such as injectable and infusion products.

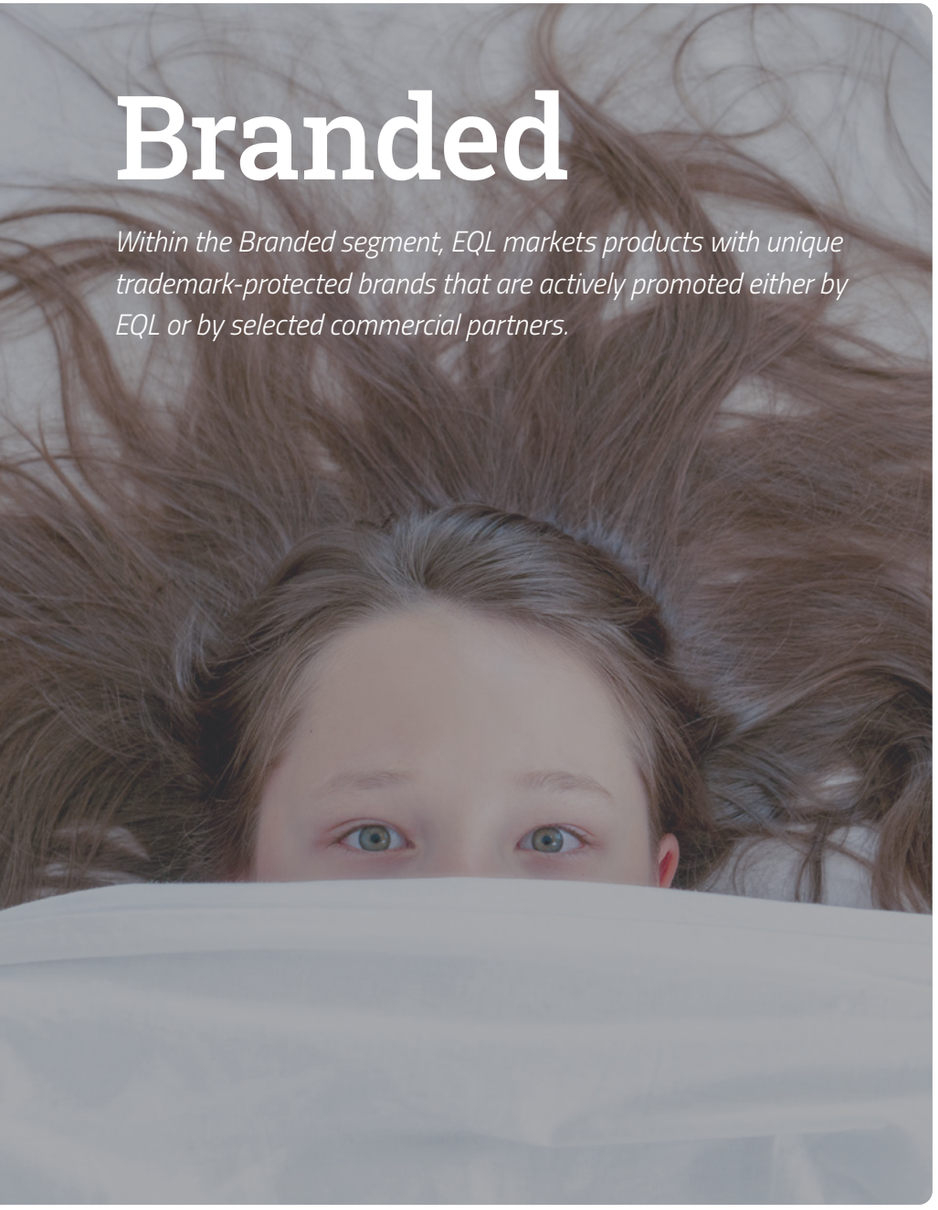
These products are typically sold through public procurement systems, which may range from individual hospitals to nationwide contracts. Procurement frameworks vary considerably in terms of contract duration, exclusivity and product requirements. While price is generally the most important evaluation criterion, additional factors such as environmental impact and ease of use for healthcare professionals are increasingly being considered. The importance of these criteria has grown significantly in recent years.

Predictable Revenue Streams

One of the key advantages of the Hospital segment is that procurement contracts often extend over one or several years. This provides predictable revenue streams and makes production and supply planning relatively straightforward.

Hospital is a business area in which EQL closely monitors market developments and evolving customer requirements. A key priority for EQL is to identify and participate in the most attractive procurement opportunities, as contracts differ significantly in terms of duration, exclusivity and technical specifications.





Branded

Within the Branded segment, EQL markets products with unique trademark-protected brands that are actively promoted either by EQL or by selected commercial partners.

Products within this business area include Mellozzan, melatonin, a sleep hormone indicated for children with ADHD, and Memprex, methenamine hippurate, indicated for the prophylactic treatment of recurrent urinary tract infections. These products are sold through direct prescription by prescribers, typically physicians, but in some cases also certain categories of nurses or dentists.

Mellozzan and Memprex have unique, protected brands and are actively marketed by EQL or by partners appointed by EQL. Products in this segment typically have unique characteristics that distinguish them from other similar products, meaning that substitution or procurement is either not possible or not best suited for the product.

Global Sales

Mellozzan and Memprex are sold in many countries, either under their own names or under other names by various partners.

EQL's partner Medice has launched Mellozzan in countries including the United Kingdom, Denmark, Switzerland and Germany. In Turkey, Mellozzan is marketed by Abdi Ibrahim, and in the GCC countries, Gulf Cooperation Council, Mellozzan is distributed by Pharmalink. EQL has entered into a global licensing agreement covering around one hundred countries with Adalvo for Mellozzan.

Goodlife Specialty BV holds the rights to Memprex in the Benelux countries, and in France Memprex is provided by Laboratoires Majorelle under the name Altaromin®.

For EQL, the business area offers more secure and predictable sales and returns once the brand has become established and found its target group of prescribers and patients. At the same time, resources and time must be allocated to reaching partners or to marketing the medicines to the target group of prescribers.

Specialty Generics

Specialty Generics is a new business area for EQL Pharma. The segment includes medicines within the therapeutic areas of transplantation, allergy and immunotherapy, and hormone replacement therapy.

Specialty Generics are highly complex generic medicines that require more advanced manufacturing processes and regulatory approvals than traditional generic pharmaceuticals.

Unlike conventional generics, these medicines are not automatically substituted at the pharmacy level. Instead, they require an active prescribing decision by the treating physician. One reason for their non-substitutable status is that many of these products have a narrow therapeutic index, meaning that treatment initiation and any subsequent switches between products must be carefully monitored and managed by healthcare professionals.

Strong Growth Potential

The Specialty Generics segment is expected to grow at a faster rate than many other areas of the pharmaceutical industry. Growth is being driven by several factors, including the expiration of patents for high-value medicines and increasing pressure on healthcare systems to reduce costs.

Another important driver is the rising prevalence of chronic diseases such as multiple sclerosis (MS), cancer, HIV and autoimmune disorders, where these medicines play a critical role in patient treatment.

Interview with Anne Drew Jensen

Anne Drew Jensen is Chief Sales Officer at EQL Pharma. She holds a Master of Healthcare Administration from the University of Minnesota.

Can you tell us a little about your background?
I began my career at the consulting firm Boston Consulting Group in Los Angeles, working in the healthcare sector. This included pharmaceutical companies, health insurance companies, private healthcare providers and hospitals. When I later moved to Copenhagen, I focused on the commercial aspects of the pharmaceutical industry, particularly at the intersection of research and business. I was then approached by LEO Pharma with an interesting opportunity to lead their transformation work. I spent two years there as Vice President responsible for strategy and was also a member of group management.

How did you come to join EQL Pharma?
Initially, I was contacted by a recruiter, but when I learned more about EQL's business model, I immediately became interested. If executed correctly, it is a business with significant growth potential. What particularly appealed to me was the opportunity to actively seek new business opportunities and explore new areas. EQL in five years' time will not look the same as it does today. There are still many opportunities that we have yet to discover.

What does a typical working day look like for you?
There is no such thing as a typical working day. I try to spend as much time as possible in contact with our customers. If I have had valuable customer conversations during the day, it feels like it has been a good day. As Head of Sales, with responsibility for business development, I am always "switched on", making sure that we can offer our customers the best possible products and service.

What are your most important responsibilities?
I would say that the two most important are driving growth and building the business for long-term success. This means ensuring continued growth while focusing on maximizing our current portfolio and replenishing the product portfolio with new products. Ultimately, it is about providing the right medicine to the right patient at the right time and at the right price.

What are the biggest challenges in your role?
As EQL Pharma continues to grow, one of the biggest challenges is balancing growth with operational efficiency. We have expanded very rapidly and today have a broad portfolio as well as several different business areas. We need to ensure that we prioritize the activities that have the greatest impact and continue to build the processes and structure required for long-term growth.

What do you think is most important for EQL Pharma to focus on in the coming year?
In the year ahead, our focus will be on operational excellence. In my area, the most urgent

need is accurate demand planning — how much medicine is needed, where it is needed and when it is needed. The last thing I want to have to tell a customer is that we are out of stock. Reliable supply capability is extremely important.

In the longer term, I believe the next five years will be characterized by strategic decisions regarding our evolved business model and international opportunities. We now have the opportunity to diversify the business and explore new markets and business areas. For me, the most exciting part is determining which products we should focus on, which markets we should enter and how we should continue to develop the company going forward.

The Share

Through a capital- and resource-efficient business model, close collaborations with specialized partners and a growing product portfolio, EQL has created a scalable platform for profitable growth.

With recurring product launches, an increasing international presence and a market driven by a growing need for cost-effective healthcare, EQL Pharma is well positioned for continued expansion and long-term value creation.

Listing

EQL Pharma's share has been listed on Nasdaq Stockholm since 7 July 2024 and is traded under the ticker EQL.

Share Capital

The company's share capital is denominated in Swedish kronor (SEK) and is distributed across the shares issued by the company, with a quota value also expressed in Swedish kronor. The share capital amounts to approximately SEK 1.329 million and consists of 29,529,610 shares (29,063,610), corresponding to a quota value of SEK 0.045 per share.

Dividend

The Board of Directors does not intend to propose a dividend until the company generates strong cash flows that cannot be better invested in the business. EQL Pharma has not paid any dividend since the company was founded in 2006. No dividend is proposed for the past financial year.

Financial Calendar

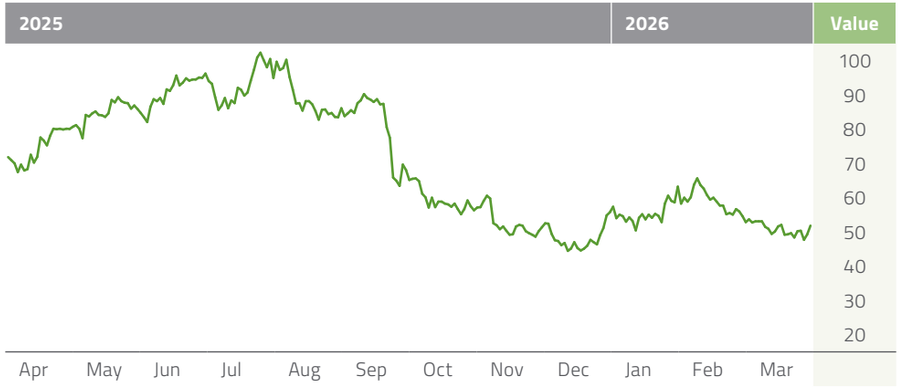
AUG 07 2026	Interim Report Q1	AUG 20 2026	Annual General Meeting 2026	NOV 05 2026	Interim Report Q2
FEB 04 2027	Interim Report Q3	MAY 05 2027	Year-End Report	JUL 25 2027	Annual Report 2026/27

Share Price Performance

On the last trading day in March 2026, the share was traded at SEK 54.40 (71.00). The highest share price during the financial year was SEK 108.80, recorded on 8 September 2025.

Share Price

Current share price information is available on Nasdaq Stockholm's website. www.nasdaq.com. The chart in this section shows the share price performance during the 2025/26 financial year.



Shareholders

At the end of the financial year, EQL Pharma had 1,210 shareholders. At the beginning of the financial year, EQL Pharma had 1,113 shareholders. The largest shareholders are presented in the table below.

Shareholders	Share
Cadila Pharmaceuticals Ltd	29.52
Christer Fåhraeus	23.37
Avanza Pension	3.03
Nordnet Pensionsförsäkring	2.90
Consensus Asset Management	2.49
Sten Irwe	2.24
Carnegie Fonder	1.56
Axel Schörling	1.32
Cliens Fonder	1.21
Schroders	1.19

KEY FACTS

Ticker: EQL
Listing venue: Nasdaq Stockholm Small Cap
Number of shareholders: 1.210
Number of shares: 29,529,610
Share capital: 1.329 MSEK

Sustainability

At the core of our business is providing more people with access to quality and essential medicines. In doing so, we assess that we have a positive impact in seven areas represented by the UN's Global Goals.

Sustainability to Us

Through our strategy of developing and producing cost-effective, yet equally effective and essential medicines, sustainability can be considered a fundamental part of EQL's business model. The opportunity to provide individuals with the chance for a healthier and better life with improved quality of life is our most important contribution to sustainable development.

For us, everything is connected. Human health and the health of our planet are linked. Achieving a sustainable society requires global efforts. We need to combat climate change by transitioning to renewable energy, reducing the use of chemicals, and improving waste management. By adopting a sustainable lifestyle—environmentally, socially, and ethically—a positive cycle is created, where both human health and the planet's well-being are strengthened.

Our sustainability strategy is intensely intertwined with our strategy, operations, and corporate culture. In some areas, we have made significant progress, while other areas have proven more challenging. There is more to be done in all areas. Working with sustainability has led us to analyze our own operations and their impact on the world in new ways, and we look forward to the work ahead with confidence.

The Board is responsible for EQL Pharma's sustainability strategy. The strategy is developed in collaboration with management, who also gathers additional input from, for example, the HR manager and the person responsible for each specific area.

Business Model and Sustainability

According to our business model, EQL Pharma actively works to identify generics whose patents have expired and markets where competition is weak or non-existent. EQL Pharma then begins production of these niche generics, which are medically equivalent to the originator product. The advantage is that the product is well-tested and proven. With a strategic location in the life sciences cluster in Lund and a network of partners, the company can quickly and efficiently start production and sales.

The development of niche generics is focused on therapies and markets where the company sees strong potential for profitable growth. It may also involve a new formulation aimed at a specific therapeutic need or patient group. The possibilities are numerous, and EQL sees no need to limit itself to specific therapeutic areas, product groups, or geographic markets in the long run. The work of identifying these markets is led by an experienced team at EQL Pharma.

The goal is to reach individuals with a competitively priced product, possibly in a market that previously lacked access to this niche generic.

Our Sustainability Policy

When EQL Pharma develops the company and its operations, sustainability is always considered. Our conviction is that a sustainable business creates value, both today and in the future. A sustainable business benefits both EQL Pharma, the individuals who benefit from its products, and the employees who work within the company.

From a sustainability perspective, EQL Pharma's operations affect the world both positively and negatively. Being aware of and identifying these factors is the fundamental step toward a more sustainable business. EQL Pharma has identified and taken measures across several aspects to ensure that the manufacturing and transportation of medicines are conducted as sustainably as possible. These are categorized into Environmental and Climate Impact, Social Work, and Ethics.

EQL Pharma has identified seven areas represented in the UN's Sustainable Development Goals, known as Agenda 2030, where the company believes they can have a positive impact.

Environmental and Climate Impact

EQL Pharma's operations have an impact on the environment and climate. Raw materials and finished products need to be transported and packaged, employees need to travel for work, and both employees and office activities generate waste. All these components together produce greenhouse gases, and EQL Pharma has set a goal to reduce these emissions by the year 2027.

Contributes to global goals:

Social Efforts

Employee satisfaction has long been a priority for EQL Pharma. According to the latest employee survey, conducted in March 2026, EQL Pharma is a workplace where employees feel involved and believe that their work is meaningful.

Contributes to global goals:

Ethics and Governance

EQL Pharma is headquartered in Lund, Sweden, but also works with consultants, partners, and suppliers in other countries. This arrangement requires extra planning and care from a sustainability perspective. It also increases the company's vulnerability to changes in factors such as climate conditions.

Contributes to global goals:

ENVIRONMENTAL AND CLIMATE IMPACT

Emissions of Greenhouse Gases

EQL Pharma's operations have an impact on the environment and climate. Raw materials and finished products need to be transported and packaged, employees need to travel for work, and both employees and office activities generate waste. All these components together produce greenhouse gases, and EQL Pharma has set a goal to reduce these emissions by the year 2027

In its sustainability efforts, EQL Pharma has identified areas where the company exerts environmental and climate impact. These areas primarily include logistics and transportation, product packaging, travel, and the company's impact from the office operations. Plans are in place for how work will proceed in these areas to achieve greater sustainability.

Logistics and Transportation

Currently, transportation mainly occurs by sea and truck. Only a small percentage of products, those with a short shelf life coming from Asia, are transported by air. EQL Pharma aims to reduce the proportion of air freight.

To distribute products from manufacturers to distributors and from distributors to customers, EQL Pharma uses Tamro. Tamro is one of two approved distributors in Sweden, along with Oriola. Tamro's transportation is done by truck. For the portion transported by truck, EQL Pharma has set a goal to ensure that as large a percentage as possible of these transports are ISO 14001 certified or have relevant climate documentation.

Planned Inventory Management

One identified measure to further reduce climate impact from multiple transports is to plan inventory management. EQL Pharma has large warehouses and good opportunities to ensure that containers are well-filled. Due to laws and regulations, pharmaceuticals cannot be transported with other goods, so increasing fill levels with additional goods is not an option.

Logistics & Transport

- ✓ Primarily by boat and truck
- ✓ Use approved distributors
- ✓ High fill rate in containers
- ✓ Planned inventory management

Product Packaging

- ✓ Reduce the proportion of discarded products

Travel

- ✓ Use trains or electric cars
- ✓ Encourage public transportation
- ✓ Company cars powered by non-fossil fuels

Own Operations

- ✓ Heating with electricity
- ✓ Review has been conducted

In logistics and transportation, goals have been set, and for example, transportation methods and container fill levels are regularly measured.

Packaging Materials

EQL Pharma's pharmaceuticals are packaged in plastic, cardboard, and/or blister packs. Pharmaceutical packaging is regulated by law, and EQL Pharma has limited ability to influence material choices due to these regulations. In pursuit of greater sustainability, the company has identified another opportunity to reduce environmental impact: extended shelf-life. This is also described in the business idea. The ambition is to extend product shelf life, which can be seen as a positive environmental benefit in addition to the economic advantages it would bring. The goal is to reduce the proportion of discarded products by two percent each year compared to 2023.

Travel within the Company

Sustainable travel involves using fossil-free fuel as much as possible when travel is necessary. EQL Pharma has an office in a central location that is easily accessible by public transportation. The company provides travel cards with Skånetrafiken to all employees to encourage public transportation. There is also a policy allowing employees to work from home if they wish, and meetings are held digitally when needed. The company owns seven company cars, three of which are electric, and four are plugin hybrids.

With a high proportion of digital meetings, EQL Pharma can reduce the amount of work-related travel. When travel is necessary, environmentally friendly transportation options such as trains or electric cars are used whenever possible. Air travel is used only when no other option is available. Approximately 75 flights are made within EQL Pharma each year.

Own Impact

A review of the environmental impact of EQL Pharma's office operations has also been conducted. The office spaces are heated by electricity. The company previously had a stated environmental goal to implement waste sorting, which is now in practice.

EQL Pharma's Greenhouse Gas Emissions

The ambition is to align with the 1.5-degree goal of the Paris Agreement. With the measures outlined above, we believe we will achieve this on time with our plan.

SOCIAL EFFORTS

Satisfied Employees

According to the latest employee survey, conducted in March 2026, EQL Pharma is a workplace where employees feel involved and believe that their work is meaningful.

Our ambition and ultimate goal is for all employees to thrive, feel a sense of belonging and be proud of the work they do at EQL Pharma. We believe in an inclusive work environment where everyone feels valued regardless of background, and we do not tolerate harassment. We want to offer a work environment that enables every employee to develop.

To assess how well we are succeeding, an annual employee survey is conducted by an independent company, Eletive. The latest survey showed three areas with particularly high scores: "Meaningfulness and involvement", "Workplace and tools" and "Relationship with manager". The lowest-rated areas were "Workload", "Health" and "Autonomy". The scores for "Workload" and "Autonomy" had improved compared with previous years, while "Health" remained at the same level as in previous years.

The Board of Directors is responsible for the social aspects of the sustainability work. At the office, there is an HR Manager who is responsible for the day-to-day work and for maintaining contact with employees.

Health and Well-Being

People's health is the foundation of EQL Pharma's business. This also applies to the health of our own employees, where we have conducted goal-oriented work for many years. We are convinced that employees who feel well also contribute positively to the company's operations.

The company has an agreement with Betahälsan, which carries out annual health checks for all employees. Betahälsan has also reviewed the workplaces to ensure that the right screens, desks and office chairs are individually adapted for an optimal working position. The HR Manager regularly sends out reminders to take movement breaks during the working day. These may include a link showing different types of exercises.

Community in the Workplace

EQL Pharma has identified community as a key factor for a pleasant workplace. A sense of community is an important part of feeling happy about going to work and is therefore a prioritized area. There are several recurring joint activities, such as shared breakfasts, yoga, after-work gatherings and conference trips in the autumn and spring.

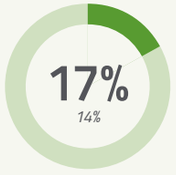
According to the employee survey, areas such as "good friends at work" and support and conflict management between colleagues all had a higher index compared with the previous year. According to Eletive's employee survey, the overall score for employee health was 3.8, compared with an overall average of 3.6 for all companies surveyed.

Training and Development

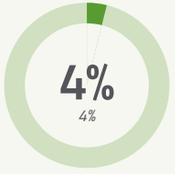
All employees have an individual development plan with a training card, which is updated annually in accordance with the legal requirements followed by EQL Pharma. The training plan forms part of the performance review, which is held twice a year.

Proportion of employees who have used wellness benefits

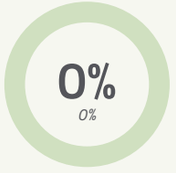
Proportion of employees who have quit in the last year



Absence rate



Work injuries that led to sick leave



Score of 4.3 on the statement: "New ideas and diverse perspectives are welcomed in my workplace."

ETHICS AND GOVERNANCE

A Responsible Producer of Niche Generics

Our business model is centered around providing individuals with the opportunity for better health. The health perspective permeates our entire organization, and as part of this commitment, we strive to treat all employees throughout the supply chain fairly, responsibly, and ethically.

EQL Pharma has a Code of Conduct that describes the company's approach to its employees, partners and other stakeholders. Among other things, it focuses on promoting equality and includes a policy against corruption and bribery.

Since January 2026, EQL Pharma also has a Supplier Code of Conduct, which addresses EQL's supply chain and partners and is intended to ensure that they also work in a sustainable manner.

EQL-Equal

Equal, as in the equal value and rights of all people. Rights in the form of the ten principles of the UN Global Compact — human rights, labor rights, environmental protection and anti-corruption — guide the company's work regardless of the country in which EQL operates.

Power and Distribution of Power

EQL Pharma's Board of Directors consists of five men and one woman. The management team consists of three men and three women. We strive to achieve an even gender distribution. The Nomination Committee has an important role to play in this regard ahead of re-elections and new elections, although the suitability of the candidate must ultimately be decisive.

The age distribution, education and background of the Board of Directors and management team are described on pages 37–38.

Diversity and Inclusion

Among EQL Pharma's 23 employees, there is diversity in terms of backgrounds and nationalities. We have employees from Sweden, the Czech Republic, Denmark, Estonia and Ukraine, as well as full-time consultants from Croatia, Poland, Ukraine, India, Asia, Germany, the Netherlands and Denmark. According to the employee policy, everyone must be treated equally regardless of background.

Eletive's survey showed a very high score, 4.5, in the area "I am free from bullying or victimization in my workplace". The score for diversity of thought is also high.

Whistleblowing Function

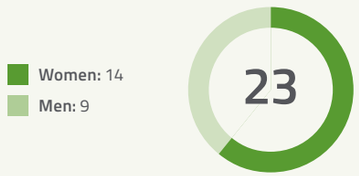
During the year, no reports of harassment were received. Since 15 January 2024, EQL Pharma has had a whistleblowing policy with an email address that goes to a person outside the company's organization. The recipient, who is not employed by the company, then follows an action plan to ensure that the matter is handled promptly and correctly.

Subcontractors and Network

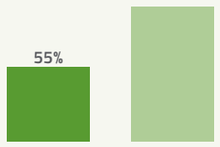
EQL Pharma is committed to working with suppliers and partners that share our values and uphold ethical business practices. We will promote transparency and fair working practices throughout our supply chain.

The Board of Directors and management team are responsible for implementing the Code of Conduct among all subcontractors. Subcontractors and partners are regularly asked to complete a Q&A regarding how the supplier ensures that employees are treated in a fair and sustainable manner.

Gender distribution employees



Wage difference men/women



Youngest and oldest employee

1994
Year of birth youngest employee

1958
Year of birth oldest employee

Average age of employees

45 years

RISK ANALYSIS

Impact of Our Sustainability Efforts

EQL Pharma is headquartered in Lund, Sweden, but has consultants, partners, and suppliers in other countries. This situation requires extra planning and care from a sustainability perspective. It also increases the company's vulnerability to factors such as changes in the climate.

EQL Pharma's generic medicines are primarily manufactured in India. Many raw materials come from China and other countries in Asia. This makes EQL Pharma vulnerable, as the company depends on functioning logistics chains.

In an uncertain global environment, EQL Pharma has taken measures to ensure reliable supply by hiring an employee with responsibility for logistics and by establishing alternative logistics chains.

Direct risks and how EQL Pharma impacts the climate through its operations are described in the sustainability report on pages 29–30. The above provides a risk description of how EQL Pharma, as a company, could be financially affected through its climate impact.

Transition Risks

Shipping raw materials and products over long distances has a negative impact on the environment, as do packaging materials and manufacturing processes. When transitioning to a more climate-neutral and low-carbon economy, companies face transition risks that could negatively impact the company's finances through additional costs, damage to its brand, or being surpassed by competitors with better sustainability practices.

A company with operations that significantly impact the climate is more exposed to transition risks. EQL Pharma assesses that our operations have a moderate impact.

Below is a list of transition risks that EQL Pharma is exposed to and a risk assessment for these:

Transition Risks	Action	Risk Assessment
Political Risk; The company fails to comply with increased energy efficiency requirements and new regulations	EQL Pharma requires carriers to have relevant documentation and ISO 14001 certification	Low
Legal Risks; Risk of legal disputes for not working to reduce negative climate impact	Ongoing efforts towards more climate-friendly alternatives in logistics and operations, and implementation and communication of EQL Pharma's sustainability efforts	Low
Technical Risks; Technology that is more climate-friendly replaces current technology	Updates on advancements and new methods in pharmaceutical manufacturing	Low
Market Risks; Customers find similar products that are more climate-friendly	Difficult for EQL Pharma to influence, other than staying updated on progress in all areas	Low
Reputation Risks; Difficulty retaining customers, partners, and attracting the right employees if there is negative publicity about EQL Pharma harming the climate	Clearly communicate the company's efforts towards sustainable production	Low

Physical Risks

Furthermore, EQL Pharma is exposed to physical risks. Physical risks arise when climate changes affect the company's operations. These include natural disasters such as floods, fires, heatwaves, and similar events that could disrupt the company's manufacturing in India or affect the supply chain. Climate changes may also lead to difficulties in labor availability, resulting in a shortage of human capital.

There are also longer-term risks, such as shortages of raw materials due to climate changes resulting from water scarcity or temperature fluctuations.

All companies are exposed to these risks, and EQL Pharma's operations do not have the same direct impact on risk exposure. EQL Pharma is aware of the physical risks and recognizes the need to eventually reduce dependence on imports from Asia and to spread pharmaceutical manufacturing across multiple production facilities that also work towards sustainable operations.

Corporate Governance

How we govern and manage our operations

Executive Team

Axel Schörling

Chief Executive Officer since 2022, Deputy Chief Executive Officer since 2020 and COO since 2018

Born: 1986

Education: MSc in Engineering Physics, Chalmers University of Technology, and MSc in Financial Economics, School of Business, Economics and Law at the University of Gothenburg

Other ongoing roles: Board member of GASPOROX AB

Previous roles (past five years): Director in Perstorp's Business Controlling team and management consultant at BearingPoint

Holdings in the Company: 389,892 shares and 200,000 warrants

Anne Drew Jensen

Chief Sales Officer since 2026

Born: 1992

Education: Master of Healthcare Administration & MBA, University of Minnesota

Other ongoing roles: –

Previous roles (past five years): Head of Corporate Strategy, Chief of Staff to the CEO and member of the management team at LEO Pharma. Worked with commercial matters in the pharmaceutical industry at Boston Consulting Group in Copenhagen and Los Angeles.

Holdings in the Company: 120,000 warrants

Martin Kristofferson

Strategic Sourcing Director since 2021, Chief Operating Officer since 2022

Born: 1978

Education: MSc in Business Administration, Linköping University

Other ongoing roles: –

Previous roles (past five years): Sourcing Director at BioGaia AB in Lund, CMO and Medical Devices Procurement at LEO Pharma in Copenhagen

Holdings in the Company: 31,512 shares and 120,000 warrants

Allan Sylvest Aasberg

CFO since 2026

Born: 1975

Education: MSc in Economics, University of Copenhagen

Other ongoing roles: –

Previous roles (past five years): CFO and COO at Phase One A/S. Senior finance positions at Chr. Hansen A/S

Holdings in the Company: 100,000 warrants

Cornelia Lindström

Regulatory Affairs, Quality Assurance and PV Director since 2021

Born: 1986

Education: MSc Pharm, Licensed Pharmacist, Uppsala University

Other ongoing roles: –

Previous roles (past five years): Head of Regulatory Affairs and Pharmacovigilance at Bayer Animal Health in Copenhagen

Holdings in the Company: 7,630 shares, no warrants

Ivana Antolas

Chief of Quality since 2025

Born: 1985

Education: MSc Pharm, Faculty of Pharmacy and Biochemistry, University of Zagreb, Croatia

Other ongoing roles: –

Previous roles (past five years): EU Qualified Person within research, development and quality assurance at Belupo, Croatia

Holdings in the Company: –

Anna Jönsson was a member of the management team until 1 April 2026, when Allan Sylvest Aasberg assumed his role as CFO.

Alexander Brising was a member of the management team until 31 January 2026. Anne Drew Jensen assumed her role on 1 March 2026, replacing Alexander Brising.

Henrik Nilsson was responsible for QA in the management team during the period from 1 April 2025 to 9 May 2025. Magnus Erreth then temporarily took over responsibility for QA until Ivana Antolas assumed her role as Chief of Quality on 1 October 2025.

Magnus Erreth served as Supply Chain Officer during the period from 1 May 2025 to 12 June 2026.

Carl Lindgren served as Chief Business Development Officer during the period from 14 August 2023 to 30 April 2026.

The Board of Directors

Christer Fåhraeus

Founder, Board member since 2006 and Chairman since 2022

Born: 1965

Education: BA, MSc Biotechnology (UCSD), PhD hc

Other ongoing roles: Chairman of the Board of ApoEco Sverige AB, Fåhraeus Startup & Growth AB and FSG Fund II AB, Board member of CellaVision AB, Fåhraeus Institute AB, Fårö Capital AB, Wranne Fåhraeus Design AB, Theope Seed Capital AB, FlatFrog Laboratories AB, OssDsign AB, Oncorena AB, Oncorena Holding AB, EQL Pharma Int AB, Smältan Invest AB, Checkin Group AB, Bionamic AB and Melius Pharma AB and Deputy Board member of Rapidus Media AB and CJ Scandinavian Seaview Consulting AB

Previous roles (past five years): CEO of CellaVision AB, Anoto Group AB, FlatFrog Laboratories and Agellis Group AB and Chairman of FlatFrog Laboratories AB and Board member of LU Holding AB

Holdings in the Company: 6,901,348 shares

Anders Månsson

Board member since 2018 and Chairman 2020-2022

Born: 1967

Education: BSc and MBA Business Administration

Other ongoing roles: Senior Advisor at Carocell Bio Limited, Inceptron AB and Ventures Accelerated AB. Board member at Immetric AB and CEO at Anders Månsson Business Development AB.

Previous roles (past five years): Interim CEO of Phase Holographic Imaging AB, CEO of Oncoinvent ASA, Lidds AB, RhoVac AB and Board member of Amniotics AB

Holdings in the Company: 10,000 shares

Nikunj Shah

Board member since 2024

Born: 1961

Other current assignments: Business Head for International Market, Cadila Pharmaceuticals Limited, Ahmedabad, India

Previous assignments (past five years): He has been associated with Cadila Pharmaceuticals for over 30 years and has held various roles in the areas of commercial and strategic business initiatives for the Indian and international markets, corporate planning, inventory management, production, and research and development. He has also served as Cadila's representative in the management team of a leading hospital in Ahmedabad, India.

Shareholding in the Company: –

Raymond De Vré

Board member since 2025

Born: 1968

Education: MSc and PhD in Applied Physics from Stanford University and an MSc in Engineering Science from Université Libre de Bruxelles.

Other ongoing roles: Chief Executive Officer of RADV Advisory GmbH and Board member of Codexis Inc. and ExcellGene Group SA.

Previous roles (past five years): Former Chief Executive Officer of PolyPeptide Group AG and Partner at McKinsey & Company.

Holdings in the Company: –

Per Svangren

Board member since 2021

Born: 1973

Education: MSc, Certified Pharmacist, Uppsala University

Other ongoing roles: Senior consultant and CEO of own consulting firm with a focus on global pricing & reimbursement and market access within pharma and medtech

Previous roles (past five years): AstraZeneca (Global price & reimbursement director) and SOBI (Head of global market access, specialty care), Board member of Barsebäck Golf & Country Club

Holdings in the Company: 10,000 shares

Linda Neckmar

Board member since 2020

Born: 1973

Education: MSc Chemical Engineering, LTH, Lund University

Other ongoing roles: Executive with global responsibility for the business area Human Health at Chr Hansen AS and Board member of International Probiotic Association

Previous roles (past five years): Executive positions at Chr. Hansen A/S and Probi AB, as well as Chairman of the Board at Probi Feed AB and Probi Food Aktiebolag. Member of the Board of Directors at International Probiotics Association, Phase Holographic Imaging PHI AB, and Veg of Lund AB (publ). Chief Executive Officer of Probi Feed AB and Probi Food Aktiebolag.

Holdings in the Company: 2,500 shares

Auditor

Maria Ekelund

The company's auditor is Deloitte, which was re-elected at the AGM for the period until the end of the AGM in 2026.

Born: 1970

Maria Ekelund has been the company's chief editor since the financial year 2022/2023. Maria Ekelund is an authorized accountant and a member of the trade association FAR (the trade association of authorized accountants).

Deloitte's office address: Hjälmaregatan 3, 201 23 Malmö, Sweden

Corporate Governance Report

EQL Pharma applies the Swedish Corporate Governance Code (the "Code"). Information about the Code is available at bolagsstyrning.se. In addition to the Code, EQL Pharma complies with applicable rules in the Swedish Companies Act, the rules and recommendations applicable as a result of EQL Pharma's listing on Nasdaq Stockholm, and generally accepted practices in the Swedish securities market.

This corporate governance report has been prepared in accordance with the provisions of the Swedish Annual Accounts Act and the Code. The corporate governance report has been prepared as a document separate from the annual report and therefore does not form part of the formal annual report documents. The corporate governance report has been reviewed by the company's auditor in accordance with the provisions of the Swedish Annual Accounts Act, and the auditor's statement is attached to the report.

General Meetings

The Annual General Meeting (AGM), or where applicable an Extraordinary General Meeting, is the highest decision-making body of EQL Pharma, at which all shareholders are entitled to participate. The Articles of Association (AoA) contain no restrictions on the number of votes that each shareholder may cast at a general meeting. Amendments to the AoA require a resolution by a general meeting.

In addition to the legal requirements for a shareholders' right to participate, the shareholder must be registered in their own name in the share register no later than five weekdays before the meeting. EQL Pharma's AoA also require advance notification of participation by the date specified in the notice. Shareholders normally attend the meeting in person or by proxy.

At the AGM, which is held no later than six months after the end of the financial year, the company's development is addressed and resolutions are passed on a number of important matters, including the adoption of the income statement and balance sheet of the company and the Group, allocation of the approved result, discharge from liability for the members of the Board of Directors and the Chief Executive Officer, and the election of Board members until the next AGM. Every other year, the company's auditor is elected and remuneration to the auditor is resolved.

The AGM for 2024/25 was held on 21 August and the minutes are available on EQL Pharma's website. The AGM for 2025/26 will be held in Lund on 20 August at 16:00.

Notice of the AGM is published no earlier than six weeks and no later than four weeks before the meeting. Shareholders who wish to have a matter considered at the AGM must, in order for the request to be considered with certainty, submit such request by post to EQL Pharma (publ), Att: Allan Sylvest Aasberg, Stortorget 1, SE-222 23 Lund, Sweden, well in advance of the notice of the meeting being issued, and no later than seven weeks before the meeting.

Board member	Represents	Board member or not
Christer Fåhraeus	Chairman of the Board	Chairman
Rajiv I Modi	Cadila Pharmaceuticals Ltd	
Sten Irwe		

Nomination Committee

In accordance with the resolution of the AGM, the Nomination Committee shall consist of the Chairman of the Board as convener, and one representative of each of the company's three largest shareholders as of 31 December of each calendar year. The members of the Nomination Committee receive no remuneration from the company. The Nomination Committee shall perform the duties incumbent on a nomination committee under the Code.

The Nomination Committee shall prepare all election and remuneration proposals that arise from the time a Nomination Committee has been appointed until a new Nomination Committee has been appointed. The task of the Nomination Committee is to submit proposals ahead of the upcoming AGM regarding the election of the Chairman of the meeting, the election of the Chairman of the Board and other Board members, resolutions on Board remuneration, divided between the Chairman, other members and any remuneration for committee work, and, where applicable, the election of auditor and remuneration to the auditor.

The Nomination Committee has chosen to apply Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy, which states that the Board shall be characterized by diversity and breadth in terms of expertise, experience and background. In addition, an even gender distribution shall be sought. Further information on the company's work with diversity is available on page 34 of the annual report.

Ahead of the 2026 AGM, the Nomination Committee has met on three occasions, with all members present.

Shareholders

On March 31 2026, EQL Pharma had 1,210 shareholders. The company's largest shareholder is Cadila Pharmaceuticals, with a holding of 29.52 percent, followed by Christer

Fåhraeus, with a holding of 23.37 percent of all shares in the company. Further information on ownership structure and shareholdings is presented on page 25 of the annual report.

The Board of Directors and its Work and Committees

EQL Pharma's Board of Directors is elected annually at the AGM for the period until the end of the next AGM and, according to the AoA, shall consist of no fewer than three and no more than eight members. The AoA contain no special provisions regarding the appointment or dismissal of Board members.

The 2025 AGM discharged the members of the Board of Directors and the Chief Executive Officer from liability and resolved to re-elect Board members Anders Månsson, Christer Fåhraeus, Linda Neckmar, Per Svanberg and Nikunj Shah, and to elect Raymond De Vré as a new Board member. It was further resolved to re-elect Christer Fåhraeus as Chairman of the Board.

Board member	Attendance
Christer Fåhraeus	17/17
Anders Månsson	17/17
Linda Neckmar	16/17
Nikunj Shah	13/17
Per Svangren	16/17
Raymond De Vré	14/15
Per Ollermark	2/2

All Board members elected by the general meeting are independent in relation to the company, company management and major shareholders, with the exception of Christer Fåhraeus and Nikunj Shah, who are considered dependent in relation to major shareholders.

The 2025 AGM resolved that Board fees shall be paid in the amount of SEK 450,000 to the Chairman of the Board and SEK 250,000 to each of the other Board members who are not permanently employed by the company. It was further resolved that fees for committee work shall be paid in the amount of SEK 60,000 to the Chairman of the Audit Committee, SEK 30,000 to each of the other members of the Audit Committee, SEK 40,000 to the Chairman of the Remuneration Committee and SEK 20,000 to each of the other members of the Remuneration Committee. Finally, in accordance with the Nomination Committee's proposal, it was resolved that fees to the auditor shall be paid in accordance with approved invoices.

The Board works in accordance with adopted rules of procedure, which are reviewed and adopted by the Board at least once a year. The rules of procedure mainly include provisions for the work of the Board, processes for preparing agendas and minutes, instructions regarding the division of duties between the Board and the Chief Executive Officer, and instructions for financial reporting. The Chairman leads the work of the Board and represents the Board both externally and internally. At each ordinary Board meeting, the Chief Executive Officer reports on ongoing operations, including financial reporting, forecasts and business development.

During 2025/26, the Board held eight ordinary meetings and nine extraordinary meetings. On one occasion, the Board met with the company's auditor. Minutes were kept by the Board's secretary, who during the year was CFO Anna Jönsson. As of 1 April 2026, Allan Sylvest Aasberg has assumed the role of the company's CFO.

The Board conducts an annual structured evaluation, via the Eletive programme service, of the Board and the Chief Executive Officer, and the results are shared with the Nomination Committee. The evaluation is carried out with the aim of developing the Board's working methods and effectiveness. The evaluation consists of a digital questionnaire completed by the Board members, after which the responses are compiled and presented to the Board and the Nomination Committee, together with the results of the evaluations carried out during the two preceding years.

Audit Committee

The Board has appointed an Audit Committee consisting of Anders Månsson (Chairman), Linda Neckmar and Raymond De Vré. The members of the Audit Committee have the required accounting expertise. The work of the Audit Committee is regulated by instructions forming part of the Board's rules of procedure. Its duties include preparing matters for the Board regarding procurement of audit services and fees, monitoring the work of the auditors and the company's internal control system, monitoring the current risk profile, monitoring the external audit and the company's financial information and annual report, preparing and following up matters relating to financing, preparing the adoption and review of the finance policy, and addressing other matters that the Board assigns to the Committee for preparation.

The Committee is also responsible for evaluating the audit work and providing this information to the Nomination Committee, as well as assisting the Nomination Committee in preparing proposals regarding the auditor and fees for the audit work. The Audit Committee reports to the Board. During the 2025/26 financial year, the Committee held nine meetings.

Remuneration Committee

The Board has a Remuneration Committee consisting of Christer Fåhraeus (Chairman), Anders Månsson and Per Svangren. Its main task is to propose principles for remuneration and other terms of employment for the CEO and other senior executives within the Group. Ahead of each AGM, the Committee submits its proposal in accordance with Chapter 8, Section 51 of the Swedish Companies Act.

In addition to guidelines and principles for remuneration to the CEO and other senior executives, the Committee has during the year discussed the company's incentive programme for the CEO and Group management. Salaries, remuneration, terms of employment and other information relating to the Board of Directors, the Chief Executive Officer and company management are presented in Note K9 on pages 65–66.

Auditor

According to the AoA, EQL Pharma shall appoint a registered auditing firm for a term of two years. At least one Board meeting per year is attended by the auditor without the presence of the Chief Executive Officer or other members of company management. At the 2025 AGM, Deloitte AB was elected as auditor for a term of two years. Maria Ekelund, Authorized Public Accountant, is the auditor in charge. Information on fees to the auditor is presented in Note K6 on page 63.

Group Management

In accordance with its guidelines and instructions, the Board has delegated the day-to-day management of the company to the Chief Executive Officer. The Chief Executive Officer, and under their leadership the other members of the management team, are responsible for the overall business operations and day-to-day management. The Chief Executive Officer regularly reports to the Board on the company's business operations, financial results and other matters relevant to the company. At one Board meeting per year, the Board evaluates the Chief Executive Officer, at which no member of company management is present. The Chief Executive Officer and the other members of Group management are presented on page 37.

Remuneration to Senior Executives

The company's current guidelines for remuneration to senior executives were adopted by the 2023 AGM. The principles mainly state that market-based salaries and other terms of employment shall apply to company management. In addition to fixed salary, a bonus system is applied, which may amount to a maximum of 100 percent of the fixed annual salary.

Remuneration may also be paid in the form of options. The complete principles are presented in Note K9 on pages 65–66.

Internal Control

The company's system for internal control and risk management regarding financial reporting for the 2025/26 financial year. Under the Swedish Companies Act and the Code, the Board is responsible for internal control. This description has been prepared in accordance with Chapter 6, Section 6 of the Swedish Annual Accounts Act and thus describes the company's systems and procedures for internal control in connection with financial reporting.

Internal control and risk management regarding financial reporting is a process designed by the Board with the aim of providing the Board, management and other relevant parties within the organization with reasonable assurance regarding the reliability of external financial reporting and whether the financial reports are prepared in accordance with generally accepted accounting principles, applicable laws and regulations, and other requirements for listed companies.

Control Environment

The basis for internal control of financial reporting is the control environment, comprising organization, decision-making processes, authorities and responsibilities, which are documented and communicated in governing documents such as internal policies, guidelines and manuals. Within EQL Pharma, the most significant components of the control environment are documented in policies and other governing documents.

EQL Pharma's rules of procedure describe the division of responsibilities between the Board and the Chief Executive Officer, and also between the Board's committees. Other policies and governing documents include the company's ethical guidelines, finance policy and authorisation instructions.

Control Activities

Appropriate control activities are a prerequisite for managing significant risks within internal control. The Board receives monthly reports in which the CEO and CFO report on the past period with regard to the Group's earnings and financial position. The monthly closing and annual reporting processes are well defined, and reporting takes place according to standardized reporting templates, including comments on all significant income statement and balance sheet items.

The CFO and controller, with functional responsibility for accounting, reporting and analysis, are present in both the Parent Company and the subsidiary. In this way, several controls are performed on the company's financial reports, reducing the risk of errors. EQL Pharma also has automated controls, for example in IT-based systems that manage authorizations and approval rights.

Information and Communication

EQL Pharma's most significant policies and other governing documents are updated on an ongoing basis and communicated to all relevant parties through established information channels in electronic and/or printed form. The procedures for external information disclosure are intended to provide the market with relevant, reliable and accurate information about EQL Pharma's development and financial position. EQL Pharma has an information policy that meets the requirements applicable to a listed company.

Financial information is provided regularly in the form of:

- ✓ Year-end reports and interim reports communicated as press releases
- ✓ Annual reports
- ✓ Press releases regarding important news and events that may affect the valuation of the company
- ✓ Video presentations in connection with the publication of reports
- ✓ Conferences and presentations for financial analysts, media and investors.

Press releases and other information material are published at https://investor.eqlpharma.com/ at the same time as they are communicated to the market.

Follow-Up

EQL Pharma continuously and annually monitors and evaluates compliance with internal policies and other governing documents. Their appropriateness and functionality are also evaluated both continuously and annually. Deficiencies are reported and addressed in accordance with specially established processes.

Internal Audit

EQL Pharma has established governance and internal control systems, compliance with which is regularly followed up at various levels within the company. Against this background, the Board has assessed that there is currently no need to establish a separate internal audit function. This assessment is reviewed annually by the Board.

Lund, July 23 2026
The Board of Directors

Auditor's Report on the Corporate Governance Statement

To the general meeting of the shareholders in EQL Pharma AB
corporate identity number 556713-3425

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the financial year 01-04-2025 - 31-03-2026 on pages 40–42 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö 24-07-2026
Deloitte AB

Maria Ekelund
Authorized Public Accountant

Financial Information

Our management report, accounts, and notes for the group and parent company

Administration Report

The Board of Directors and the Chief Executive Officer of EQL Pharma AB (publ), corporate registration number 556713-3425, with its registered office in Lund, hereby present the annual report for the operations of the Group and the Parent Company for the financial year from April 1 2025 to March 31 2026.

Operations and Structure

EQL Pharma AB specializes in developing and selling generics, i.e. medicines that are medically equivalent to originator medicines. As of 31 March 2026, the company had 47 niche generics, meaning generics with little or no competition apart from the originator medicine, on the market. In addition, the company has a significant pipeline of further niche generics for launch in 2026 and onwards.

The business is currently focused entirely on prescription medicines, including hospital products, in the Nordic region and selected European markets. The company conducts its operations in Lund, employs 23 people and is listed on Nasdaq Stockholm. EQL Pharma AB carries out extensive development work in collaboration with leading contract manufacturers and major pharmaceutical companies in, among other regions, the EU and Asia.

Market

EQL Pharma currently operates directly under its own brand in Sweden, Denmark, Norway and Finland. In the rest of Europe, EQL Pharma's products are sold indirectly through partners.

Significant events during the financial year

- ✓ On 27 June, it was announced that EQL's key product methenamine hippurate, under the brand Altaromin®, had received marketing authorisation in France.
- ✓ On 2 July, it was announced that EQL Pharma's key product Memprex® (methenamine hippurate) had been licensed for sale in Benelux (Belgium, the Netherlands and Luxembourg).
- ✓ On 8 July, it was announced that EQL Pharma had taken the first step towards establishing operations in Germany and the Netherlands through the recruitment of key personnel.
- ✓ On 11 September, it was announced that Mellozzan® (melatonin) had been approved for sale by the Turkish Medicines and Medical Devices Agency.
- ✓ On 23 September, it was announced that EQL's key product Mellozzan® (melatonin) had been launched in the United Kingdom by our partner Medice.
- ✓ On 14 November, it was announced that EQL's key product methenamine hippurate, under the brand Cystohipp®, had received marketing authorisation in Germany.
- ✓ On 17 November, EQL Pharma published a prospectus and applied for admission to trading of bonds on Nasdaq Stockholm's corporate bond list.
- ✓ On 3 December, it was announced that EQL Pharma had recruited Allan Sylvest Aasberg as new Chief Financial Officer (CFO).
- ✓ On 4 December, it was announced that EQL Pharma had recruited Anne D Jensen as new Chief Sales Officer (CSO) and that Carl Lindgren would leave his position as Chief Business Development Officer (CBDO).
- ✓ On 25 March, it was announced that EQL's key product Mellozzan® (melatonin) had received marketing authorisation from the healthcare authority in Italy, AIFA.

Launches and deregistrations

During the financial year, EQL launched the following products directly and indirectly:

- ✓ **Sweden:** Prasugrel, Ertapenem
- ✓ **Denmark:** Prasugrel
- ✓ **Norway:** Ertapenem
- ✓ **Finland:** Ertapenem

Approvals and acquisitions

During the year, EQL received approvals for BimTim, Phenoxymethylpenicillin EQL, Rosteze, Fluttasino, Macrogol EQL, Altaromin/Cystohipp (methenamine hippurate), Mellozzan and Metherex SK. EQL made no acquisitions during the year.

Significant events after the end of the financial year

- ✓ On 27 April, it was announced that EQL Pharma is in the process of recruiting a new CSCO.
- ✓ On 15 June, it was announced that EQL's key product methenamine hippurate, under the brand Cystohipp®, had been launched in Germany.

Significant Risks and Uncertainties

Risks and uncertainties

A number of risk factors may have a negative impact on EQL Pharma's operations. It

is therefore of great importance to consider relevant risks alongside the company's growth opportunities. Below is a description of risk factors, without any order of priority and without claiming to be exhaustive.

Development risks
EQL Pharma develops its own niche generics through partner companies. This development process takes time, and delays or cost increases in the development and approval process cannot be ruled out. In the event of delays, the Company may be affected by delayed sales revenue, together with an increased risk of competition from other generic pharmaceutical companies, which could have a material adverse effect on the Company's operations, earnings and financial position.

Market growth
Establishment in new countries and regions may involve problems and risks that are difficult to foresee. Furthermore, establishments may be delayed and thereby result in loss of revenue. EQL Pharma is in a growth phase, which may mean that the Company carries out acquisitions of other companies. The absence of expected synergies and less successful integration work could have a material adverse effect on the Company's operations, earnings and financial position.

Rapid growth may also create organizational challenges. It may also be difficult to recruit the right personnel, and difficulties may arise in successfully integrating new employees into the organization. Expansion and offensive market initiatives would also involve increased costs for the Company. If any of these circumstances were to materialize, they could have a material adverse effect on the Company's operations, earnings and financial position.

Competition
Extensive investment and product development by a competitor may entail risks in the form of lower sales and reduced profitability. Increased competition may have negative effects on the Company's sales and earnings in the future.

Political risk
EQL Pharma operates in and through a number of different countries. These countries have specific laws and regulations that apply to, for example, the sale of generics. Risks may arise in connection with changes to these laws and regulations, which could have a material adverse effect on the Company's operations, earnings and financial position.

Regulatory approval
EQL Pharma depends on the Company's products undergoing studies to demonstrate the bioequivalence of new generics with the originator medicine. There is a risk that these studies do not have an outcome favorable to the Company. In such cases, additional studies may be required in order to obtain relevant approvals. There is also a risk that the studies are not conducted in line with what has been planned, which may affect their outcome.

Such outcomes may delay sales and development and increase the costs of a new product, which could have a material adverse effect on the Company's operations, earnings and financial position. In certain markets, the Company's success depends on national insurance systems, whether private or public, approving EQL Pharma's products for reimbursement under those national insurance systems.

EQL Pharma works to have its products included in the relevant markets, but there is a risk that the Company's generics will not be able to meet or maintain the requirements necessary to obtain reimbursement from national insurance systems in the markets where the Company operates. Furthermore, there is a risk that sufficiently favorable reimbursement from these national insurance systems will not be obtained, and that the systems will not pay such reimbursement within a certain period of time.

If reimbursement from insurance systems is not obtained in certain markets and clinical acceptance of the medicines is also not achieved, this will have a negative impact on the Company's future sales growth, which could have a material adverse effect on the Company's operations, earnings and financial position.

Partners
EQL Pharma has, and will continue to have, collaborations with a number of partners. It cannot be ruled out that one or more of these partners may choose to terminate their collaboration with the Company, which could have a negative impact on the Company's operations in the form of delays and possibly also limited or lost revenue. Nor can it be guaranteed that EQL Pharma's partners will fully meet the quality requirements set by the Company.

Similarly, the establishment of new partnerships may become more costly and/or take longer than the Company has estimated. The absence of relevant partnership agreements or partners failing to perform their work may therefore have a material adverse effect on the Company's operations, earnings and financial position.

Financial risks
Through its operations, EQL Pharma is exposed to a number of different financial risks, including credit risk, market risks such as currency risk and interest rate risk, and liquidity risk. The Group's management and Board of Directors work actively to minimize these risks.

Credit risk
Credit risk is defined as the risk that the Group's counterparties are unable to fulfill their financial obligations to the Group. The Group's greatest credit risk relates to trade receivables. Historically, the Group has had very limited credit losses, and the finance department places significant focus on collecting overdue trade receivables. The Group has also established guidelines to ensure that products and services are sold to customers with an appropriate credit profile.

Currency risk
The significant currency fluctuations of recent years are one of the risks that the Group must manage. The Group's currency policy means that it does not use currency hedging. The Group currently has sales in SEK, USD, DKK, NOK and EUR, and costs in the same currencies, which in itself partly balances the currency risk.

Liquidity risk
The Company is dependent on the ongoing development of new generics. A delayed market breakthrough for one or more products may result in a deterioration in the Company's earnings. There is therefore a risk that the Company may need to raise additional capital in the future. There is a risk that any additional capital cannot be raised on favorable terms, or that such capital raised is not sufficient to finance the Company's development, or that such capital cannot be raised at all, which could have a material adverse effect on the Company's operations, earnings and financial position. For further information on the Group's financial risks, see Note K4 Financial risks.

Key personnel
EQL Pharma's key personnel have extensive expertise and long experience within the Company's area of operations. The loss of one or more key personnel could therefore have negative consequences for EQL Pharma's operations, and there is a risk that qualified employees cannot be recruited should the need arise. Nor is it possible to fully protect against former employees disclosing information to other parties, which entails a risk that competitors may gain access to and benefit from the know-how developed by EQL Pharma.

If the Company were to lose key personnel, fail to recruit qualified employees, or if former employees were to disclose information about the Company to other parties, this could have a material adverse effect on the Company's operations, earnings and financial position.

Operational risk
Operational risk is defined as the risk of incurring losses due to inadequate procedures and/or irregularities. Good internal control, appropriate administrative systems, competence development and access to reliable valuation and risk models provide a sound basis for ensuring operational security.

The knowledge, experience and commitment of employees are important for EQL Pharma's future development. EQL Pharma could be adversely affected if several of the Group's employees were to leave EQL Pharma at the same time, or if deficiencies were to arise in the Group's operational security.

Disputes
Legal disputes involve risks in themselves, both in terms of losing cases and incurring costs for legal counsel and, in arbitration proceedings, the arbitral tribunal. There is always a risk that disputes may arise in relation to agreements, or that disputes that arise cannot be resolved in a manner favorable to the Group. Legal proceedings may therefore have a negative effect on EQL Pharma's operations, financial position and earnings.

Changes in legislation
New laws or regulations, or changes in the application of existing laws, may adversely affect the Group's operations. No such changes are currently known.

Financial Targets

EQL Pharma's financial targets represent expectations regarding growth and profitability. These targets are based on a number of assumptions which, by their nature, are subject to significant business, operational, economic and other risks, many of which are beyond the Company's control.

The Company has based the targets on detailed assumptions used by senior executives and the Board of Directors when setting the targets, but there is a risk that these assumptions may not in the future reflect the commercial, regulatory and economic environment in which the Company operates. Accordingly, the assumptions may change or may not materialize at all.

In addition, unforeseen events may have an adverse impact on the actual results achieved by the Company in the future, regardless of whether the assumptions prove to be correct or not. The Company's actual results may therefore differ from these targets, and investors should not place undue reliance on them.

The Company's Shares

The Company's share has been listed on Nasdaq Stockholm since 4 July 2024. Prior to that, the share was listed on Spotlight Stock Market from 17 December 2013. The share capital amounts to SEK 1,328,832.45 and consists of 29,529,610 shares (29,063,610), corresponding to a quota value of SEK 0.045 per share. Each share carries one vote.

Shareholders
The number of shareholders was approximately 1,113 at the beginning of the financial year and 1,210 at the end of the financial year.

Dividend policy
The Board of Directors does not intend to propose any dividend until the Company generates strong cash flows that cannot be better invested in the business. EQL Pharma has not paid any dividend since the Company was founded in 2006.

The Year in Figures

Net sales
The Group's net sales during the period April to March amounted to SEK 432.7 million (373.5), an increase of 16 percent. The increase is partly attributable to increased sales of existing products, but also to the addition of new launches and the acquisition of Medilink, which was completed on 31 January 2025.

Gross profit and operating profit
Gross profit for the period amounted to SEK 162.8 million (156.0), corresponding to a gross margin of 38 percent (42). The gross margin was affected by freight costs, product mix, amortization of capitalized development expenditure, inventory adjustments and currency effects.

Operating profit (EBIT) for the period amounted to SEK 48.7 million (67.4), corresponding to an operating margin of 11 percent (18).

Net financial items
Net financial items for the period amounted to SEK -30.5 million (-13.0).

Profit for the Year

Profit before tax for the year amounted to SEK 18.2 million (54.4). The change is explained by the same items as described above regarding the change in EBIT. Tax for the year amounted to SEK -5.7 million (-11.2), corresponding to an effective tax rate of 20.6 percent (20.6). Profit for the year of SEK 12.5 million (43.1) corresponds to earnings per share before dilution of SEK 0.42 (1.48).

Cash flow for the year

Cash flow from operating activities amounted to SEK 28.4 million (-24.7). The change in working capital amounted to SEK -12.9 million (-91.5). The change in working capital is mainly explained by increased capital tied up in inventory.

EQL Pharma continues to invest in new products. Cash flow from investing activities amounted to SEK -67.2 million (-245.8). Investments were made in both ongoing and new projects. Cash flow from financing activities amounted to SEK 43.2 million (332.4) and includes an increase in invoice and inventory financing, as well as senior secured bonds of SEK 350 million.

Financial position as of March 31 2026

Cash and cash equivalents at the end of the period amounted to SEK 86.8 million (82.4). As of 31 March 2026, unutilized invoice financing facilities amounted to SEK 26.5 million (26.3). Available invoice and inventory financing limits amounted to SEK 134.0 million (134.0).

Employees

The number of full-time employees in the Group amounted to 23 (21), of whom 14 (12) were women.

In addition, the Group employs 37 (12) employees abroad, through a global personnel management platform, who mainly work within specialist functions as well as product and business development. In addition to permanent employees, consultants with specialist expertise in GMP (Good Manufacturing Practice), pharmacovigilance, regulatory affairs, business development and wholesale operations are engaged by the Parent Company.

See Note K9, Guidelines for remuneration to senior executives.

For information on research and development, see Notes K2 and K15.

Proposed Allocation of Profit

The following earnings in the Parent Company are at the disposal of the Annual General Meeting (all amounts in SEK):

SEK	2025/2026
Retained earnings	88,061 276
Profit for the year	855,916
TOTAL	**88,917 192**

Retained earnings are offset against unrestricted equity.

The Company's earnings for the financial year and financial position as of 31 March 2026 are presented in the attached financial statements and accompanying notes, which form an integral part of this annual report.

EQL Pharma AB, corporate registration number 556713-3425

Five-Year Overview

KSEK	2025/2026	2024/2025	2023/2024	2022/2023	2021/2022
Earnings					
Net sales	432,661	373,516	264,168	259,913	409,753
Sales growth, %	16	41	2	-37	129
Gross profit	**162,842**	**155,953**	**115,045**	**115,850**	**95,734**
Gross margin, %	38	42	44	45	23
Operating profit (EBIT)	**48,686**	**67,370**	**32,615**	**41,339**	**38,839**
Operating margin, %	11	18	12	16	9
Profit before tax	18,205	54,354	28,604	38,968	35,965
Net profit	**12,538**	**43,123**	**22,705**	**30,921**	**31,549**
Financial position					
Equity/assets ratio, %	31	27	48	54	52
Total cash flow	4,357	61,932	-23,958	3,227	14,620
Return on equity, %	5	22	14	22	29
EBITDA, %	17	21	16	-	-

Definitions of key figures and related descriptions are available on the website.

Statement of Comprehensive Income

KSEK	Note	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Net sales	K5	432,661	373,516
Expenses for sold goods		-269,819	-217,562
Gross profit		**162,842**	**155,953**
Sales expenses	K6, K7	-80,445	-58,763
Administration expenses	K6,K7,K8,K9	-22,479	-19,698
Research and development expenses	K8,K9	-14,328	-11,263
Other operating income	K10	3,095	1,140
Operating profit (EBIT)		**48,686**	**67,370**
Profit or loss from financial items			
Interest income and similar profit/loss items	K11	5	7
Interest expense and similar profit/loss items	K11	-30,487	-13,022
Net financial income/expense		**-30,482**	**-13,015**
Earnings before tax (EBT)		**18,205**	**54,354**
Tax on profit/loss for the year	K12	-5,667	-11,232
Profit/loss for the period		**12,538**	**43,123**
Other comprehensive income			
Translation difference		2	-10
COMPREHENSIVE INCOME FOR THE PERIOD		**12,540**	**43,113**
Comprehensive income for the period attributable to:			
Parent company shareholders		12,540	43,113
Earnings per share before dilution, SEK	**K13**	**0.42**	**1.48**
Earnings per share after dilution, SEK	**K13**	**0.42**	**1.44**

Summary of Consolidated Statement of Financial Position

Assets

KSEK	Note	01-04-2025 31-03-2026	01-04-2024 31-03-2025
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized expenditure	K14	65,907	37,578
Licensed and development products	K15	375,204	364,668
Total intangible fixed assets		**441,111**	**402,246**
Tangible fixed assets			
Buildings	K16	2,559	3,804
Equipment, tools and fixtures and fittings	K16	3,344	2,521
Total tangible fixed assets		**5,903**	**6,324**
Non-current financial fixed assets			
Participations in other companies		1	1
Total non-current financial assets		**1**	**1**
Total fixed assets		**447,015**	**408,571**
Current assets			
Goods for resale	K17	200,533	179,031
Trade receivables	K18	92,744	125,682
Other current receivables		1,363	154
Prepaid expenses and accrued income	K19	22,474	12,985
Liquid funds	K20	86,757	82,400
Total current assets		**403,872**	**400,252**
TOTAL ASSETS		**850,887**	**808,823**

Summary of Consolidated Statement of Financial Position

Equity and Liabilities

KSEK	Note	01-04-2025 31-03-2026	01-04-2024 31-03-2025
EQUITY AND LIABILITIES			
Share capital	K21	1,329	1,308
Other contributed capital		101,102	67,642
Retained earnings including profit for the year		164,625	152,084
Equity attributable to parent company shareholders		**267,056**	**221,034**
Long-term liabilities			
Liabilities to credit institutions	K22	342,486	338,387
Leasing agreement liabilities	K7	2,687	3,045
Deferred tax liability		28,428	25,338
Total long-term liabilities		**373,601**	**366,770**
Current liabilities			
Liabilities to credit institutions	K22	3,730	4112
Lease liabilities	K7	2,900	2,752
Supplier costs		70,256	90,935
Pledged invoices	K24, K27	7,210	7,012
Pledged inventory	K24, K27	100,327	100,400
Current tax liability		5,946	3,985
Other current liabilities	K25	11,284	6,747
Accrued expenses and deferred income	K26	8,576	5,076
Total current liabilities		**210,229**	**221,018**
TOTAL EQUITY AND LIABILITIES		**850,887**	**808,823**

Consolidated Statement of Changes in Equity

KSEK	Share capital	Other contributed capital	Retained earnings including profit for the year	Total equity
Equity brought forward as at April 1 2024	**1,308**	**67,449**	**108,970**	**177,726**
Total comprehensive income for the year				
Profit for the year			43,123	43,123
Other comprehensive income			-10	-10
Total comprehensive income			**43,113**	**43,113**
Transactions with owners:				
Employee share options		194		194
Total transactions with owners		**194**		**194**
Equity carried forward as at March 31 2025	**1,308**	**67,642**	**152,084**	**221,034**
Equity brought forward as at April 1 2025	**1,308**	**67,642**	**152,084**	**221,034**
Total comprehensive income for the year				
Profit for the year			12,538	12,538
Other comprehensive income			2	2
Total comprehensive income			**12,540**	**12,540**
Transactions with owners:				
Share issue	21	31,734		31,755
Employee share options		1,726		1,726
Total transactions with owners	**21**	**33,460**		**33,481**
Equity carried forward as at March 31 2026	**1,329**	**101,102**	**164,625**	**267,056**

Consolidated Statement of Cash Flows

KSEK	Note	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Operating activities			
Operating profit (EBIT)		48,686	67,370
Adjustment for items not included in the cash flow	K23	23,091	12,517
Interest paid		-30,477	-13,015
Tax		0	0
Cash flow from operating activities before changes in working capital		**41,300**	**66,871**
Changes in working capital			
Changes in inventories		-21,500	-73,413
Changes in current receivables		22,240	-67,151
Changes in current liabilities		-13,678	49,041
Cash flow from operating activities		**28,361**	**-24,652**
Investing activities			
Investment in intangible assets		-61,797	-239,715
Investment in tangible assets		-5,444	-6,127
Cash flow from investing activities		**-67,241**	**-245,843**
Financing activities			
Amortization of leasing liabilities		-2,782	-2,341
Raised loans		12,610	360,279
Amortization of loans		-73	-25,705
Share issue		31,755	
Employee share options		1,726	194
Cash flow from financing activities	**K28**	**43,237**	**332,427**
CASH FLOW FOR THE PERIOD		**4,357**	**61,932**
Liquid funds at the start of the period		82,400	20,468
Liquid funds at the end of the period		**86,757**	**82,400**

Notes to the Consolidated Accounts

NOTE K1 General Information

EQL Pharma AB (publ), corporate identity number 556713-3425, is a Swedish public company with headquarters in Lund, Sweden. In this report EQL Pharma AB (publ) is either referred to by its full name or as the Company.

All amounts are in SEK thousands (KSEK), unless otherwise stated. Figures within brackets refer to the previous year.

NOTE K2 Significant Accounting Principles

The consolidated financial statements have been drawn up in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) such as have been enacted by the EU. Furthermore, the Swedish Financial Accounting Standards Council's recommendation RFR 1 Supplementary accounting rules for groups has been applied.

The parent company applies the same accounting principles as the Group with the exception of cases noted in the section on the parent company's accounting principles.

Valuation Basis

Assets and liabilities are reported at historical acquisition values, except for certain financial assets and liabilities that are valued at fair value.

Accounting Currency and Presentation Currency

The parent company's accounting currency is SEK, which is also the presentation currency of the parent company and the Group. This means that the financial statements are presented in SEK. All amounts are rounded to the nearest thousand (KSEK), unless otherwise stated. In texts and tables, figures between 0 and 0.5 are presented by 0.

Assessments and Estimates

Drawing up the financial statements in accordance with IFRS requires the board and company management to make assessments and estimates as well as assumptions that affect the Group's earnings, position and reported information in general. The estimates and assumptions are based on historical experiences and a number of other factors that are deemed to be reasonable under the prevailing circumstances. The actual outcome may differ from these estimates and assessments. Estimates and assumptions are reviewed regularly. Changes to estimates are reported in the period the change is made if the change has only affected that period, or in the period the change is made and future periods if the change affects both the current period and future periods. Assessments made by company management in the application of IFRS that have an effect on the financial statements, and estimates carried out that may entail significant adjustments in the following year's financial statements are described in note K3 and elsewhere.

Changes in Accounting Principles

There are some changes to standards that are approved for application from 2025. These are not deemed to have a significant effect on the Group's financial statements.

New IFRS That Have Not Yet Been Applied

New and changed IFRS for future application are not expected to have a significant effect on the Group's financial statements but the effect is still being evaluated.

Classification of Long-Term and Current Items

Fixed assets and long-term liabilities essentially consist of amounts that are expected to be recovered or paid after more than 12 months calculated from accounting year-end. Current assets and short-term liabilities consist essentially of amounts that are expected to be recovered or paid within 12 months calculated from accounting year-end.

Segment Reporting

An operating segment is a part of the group that carries out activities from which it can generate income and incur costs and for which independent financial information is available. An operating segment's results are followed up by the company's highest executive decision-making body to evaluate the result and to be able to allocate resources to the operating segment. EQL Pharma (publ) has identified group management as the highest executive decision-making body. For

more information on operating segments, see Note K5.

Consolidation Principles

Subsidiaries

Subsidiaries are all companies in which the Group has the right to determine financial and operational policies, normally through a shareholding corresponding to more than 50 percent of the voting rights of the shares or participations, or where the Group, through an agreement, exercises sole control. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are excluded from the consolidated financial statements from the date on which control ceases.

The acquisition method is used to account for the Group's acquisitions of subsidiaries. The cost of an acquisition consists of the fair value of assets transferred as consideration, equity instruments issued and liabilities incurred or assumed at the date of transfer. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date, irrespective of the extent of any non-controlling interest.

The excess consisting of the difference between the cost and the fair value of the Group's share of identifiable assets acquired, liabilities and contingent liabilities assumed is recognized as goodwill. If the cost is lower than the fair value of the acquired subsidiary's assets, liabilities and contingent liabilities, the difference is recognized directly in the income statement.

Transactions eliminated on consolidation

Intra-Group transactions and balances, as well as unrealized gains on transactions between Group companies, are eliminated. Unrealized losses are also eliminated, but any losses are regarded as an indication that an impairment requirement may exist. Where applicable, the accounting policies of subsidiaries have been changed to ensure consistent application of the Group's policies.

Reporting of Distribution Costs

Historically, EQL Pharma has included the cost of distributing medicines in direct cost of goods sold. However, the pharmaceutical industry regards distribution as an operating activity and therefore includes these costs in selling and marketing expenses, i.e. operating expenses. To facilitate the calculation of efficiency measures and the performance of comparative analyses against the pharmaceutical industry, EQL Pharma recognizes distribution costs under selling expenses, in line with the pharmaceutical industry.

IFRS 15 – Recognition of Revenue

Revenue comprises the fair value of the consideration received or receivable for goods and services sold in the Group's ordinary activities. Revenue is recognized excluding value added tax, returns and discounts, and after elimination of intra-Group sales.

The Group recognizes revenue when the amount can be measured reliably, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the Group's operations, as described next.

Step 1: Identify the contract with the customer

A contract is an agreement between two or more parties that creates enforceable rights and obligations. The requirements of IFRS 15 shall be applied to each individual customer contract agreed by the parties and that meets the following criteria:

- ✓ The contract has been approved by the parties and the parties intend to fulfill their obligations
- ✓ Each party's rights can be identified
- ✓ The payment terms can be identified for the goods and services to be transferred
- ✓ The contract has commercial substance, meaning that the risk, timing and amount of the company's future cash flows are expected to change as a result of the contract
- ✓ It is probable that the company will receive the consideration to which it is entitled in exchange for the goods and services to be transferred to the customer
- ✓ Customer contracts within EQL Pharma meet the five criteria set out in Step 1.

Step 2: Identify the various performance obligations

A customer contract contains a promise to transfer goods or services to the customer. If a promise relating to a good or service meets the criteria for being "distinct", it is a performance obligation that shall be recognized separately from other goods and services in the contract.

Distinct performance obligations are promises of goods and services in a contract that meet both of the following criteria:

- ✓ The customer can benefit from the good or service either on its own or together with other readily available resources, meaning that it is distinct in nature; and
- ✓ The company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract, meaning that it is distinct within the contract.

Within EQL Pharma, there are customer contracts that include one or more performance obligations. The contracts may include only the sale of products, only the sale of services, or a combination of these. The Group's warranty obligations comprise an assurance that the product meets agreed specifications, i.e. normal warranty terms. These are recognized as a provision.

Step 3: Determine the transaction price

The transaction price is the consideration that the company expects to be entitled to receive in exchange for transferring promised goods or services to a customer, excluding value added tax. The transaction price may be a fixed amount or variable as a result of discounts, credits or similar items. Contracts that include variable consideration require estimates and judgments to be made, which may affect both the amount and timing of revenue recognition.

Variable consideration shall be recognized only to the extent that it is highly probable that a significant portion of the revenue will not need to be reversed in the future when the uncertainty relating to the variable consideration has been resolved.

Step 4: Allocate the transaction price

Once the transaction price has been determined, it shall be allocated to the distinct performance obligations that have been identified. When a contract contains more than one performance obligation, the company allocates the transaction price to each distinct performance obligation on the basis of its stand-alone selling price. Stand-alone selling price means the amount at which the performance obligation could be priced separately.

Step 5: Recognize revenue – over time or at a point in time

Revenue is recognized when the company has satisfied a performance obligation, which is when control of the underlying goods or services has been transferred to the customer. Indicators for assessing the point in time at which control is transferred to the customer may include that the company has transferred physical possession, the company has a present right to payment, the customer has accepted the good or service, the customer has the significant risks and rewards, and the customer has legal title.

EQL Pharma recognizes revenue from contracts with customers both over time and at a point in time. The Group has different delivery terms, which affect when control of the products is transferred to the customer.

Leasing

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date of the lease, or upon reassessment of a lease that contains several components – lease and non-lease components – the Group allocates the consideration in the contract to each component based on the stand-alone price. In cases where the components cannot be separated, they are accounted for as a single lease component.

Leases where the Group is the lessee

The Group recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset and the end of the lease term, which for the Group is normally the end of the lease term. In cases where the cost of the right-of-use asset reflects that the Group will exercise an option to purchase the underlying asset, the asset is depreciated to the end of its useful life.

Lease liabilities, which are divided into non-current and current liabilities, are initially measured at the present value of the remaining lease payments during the assessed lease term. The lease term consists of the non-cancellable period, together with any additional periods under the contract if, at the commencement date, it is considered reasonably certain that these will be exercised.

The lease payments are discounted using the Group's incremental borrowing rate, which reflects the Group's credit risk. The incremental borrowing rate has been determined differently depending on the underlying asset.

The lease liability comprises the present value of the following payments during the assessed lease term:

- ✓ Fixed payments
- ✓ Variable lease payments linked to an index or price, initially measured using the index or price prevailing at the commencement date.

The value of the liability is increased by the interest expense for each period and reduced by lease payments. Interest expenses are calculated as the value of the liability multiplied by the discount rate.

For leases with a lease term of 12 months or less, or where the underlying asset is of low value, less than SEK 50 thousand, no right-of-use asset or lease liability is recognized. Lease payments for these leases are recognized as an expense on a straight-line basis over the lease term. This also applies to variable lease payments.

Financial Income and Expenses

Financial income consists of interest income on invested funds, dividends, impairment of financial liabilities and gains on the disposal of financial assets available for sale.

Financial expenses consist of interest expenses on borrowings, effects of the unwinding of discounted provisions, impairment of financial assets available for sale and losses on the disposal of financial assets available for sale.

Currency Translation

Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences arising on translation are recognized in profit or loss for the year. Exchange differences on operating receivables and operating liabilities are included in operating profit, while exchange differences relating to financial items are recognized in net financial items.

Translation of overseas business

Assets and liabilities in foreign operations, including goodwill and other Group-related surplus and deficit values, are translated from the functional currency of the foreign operation into the Group's reporting currency, Swedish kronor, at the exchange rate prevailing on the balance sheet date. Income and expenses in a foreign operation are translated into Swedish kronor at an average exchange rate that approximates the exchange rates prevailing at the respective transaction dates.

Translation differences arising on the translation of foreign operations are recognized in other comprehensive income and accumulated in a separate component of equity, referred to as the translation reserve. When control over a foreign operation ceases, the accumulated translation differences attributable to that operation are realized and reclassified from the translation reserve in equity to profit or loss for the year.

Taxes

Income taxes comprise current tax and deferred tax. Income taxes are recognized in profit or loss for the year, except when the underlying transaction has been recognized in other comprehensive income or in equity, in which case the related tax effect is recognized in other comprehensive income or in equity. Current tax is tax payable or receivable for the current year, applying tax rates enacted or substantively enacted at the balance sheet date. Current tax also includes adjustments to current tax attributable to previous periods.

Management regularly evaluates the claims made in tax returns with respect to situations where applicable tax rules are subject to interpretation. Where deemed appropriate, provisions are made for amounts that are likely to be paid to the tax authorities.

Deferred tax is calculated using the balance sheet method, based on temporary differences between the carrying amounts and tax bases of assets and liabilities. Temporary differences are not taken into account in consolidated goodwill. Nor are temporary differences relating to interests in subsidiaries that are not expected to be reversed in the foreseeable future taken into account. The measurement of deferred tax is based on how the underlying assets or liabilities are expected to be realized or settled.

Deferred tax is calculated using the tax rates and tax rules enacted or substantively enacted at the balance sheet date. Deferred tax assets relating to deductible temporary differences and tax loss carryforwards are recognized only to the extent that it is probable that they will result in lower tax payments in the future. The value of deferred tax assets is reduced when it is no longer considered probable that they can be utilized.

Intangible Assets

Intangible non-current assets are recognized at cost less accumulated amortization and any impairment losses. The useful life is reassessed at each balance sheet date.

Licensed products

Licensed products refer to the company's rights to manufacture medicines and to market and sell medicines within a specific territorial area. Fully developed products, known as licensed products, are amortized on a straight-line basis at 5–20 percent per year. Amortization begins when the products are launched.

Development products

Development products refer to costs for developing new medicines. In order to obtain the right to market a specific medicine, a registration application must also be submitted to the authority in each country for each medicine. License and registration fees are capitalized when paid.

Internally developed products, known as development products, are amortized on a straight-line basis at 10 percent per year. Amortization begins when the products are launched.

If it becomes apparent that the potential of the products has ceased before three or five years have elapsed from the launch date, the remaining value is written off immediately. The following useful lives are applied:

Capitalized expenditure	*5 years*
Licensed products	*5 - 20 years*
Development products	*10 years*
Registration fees, licensed products	*5 years*
Registration fees, development products	*10 years*
Brands and similar rights	*10 years*

For the recently acquired product portfolio from Medilink, the useful life has been assessed at 20 years and the products are amortized on a straight-line basis at 5 percent per year.

Tangible Fixed Assets

Tangible fixed assets are reported in the Group at the cost of acquisition less accumulated depreciation and any write-downs. The cost of acquisition includes the purchase price and expenses directly attributable to bringing the asset to the location and condition necessary for it to be used in accordance with the purpose of the acquisition.

The carrying amount of an asset is removed from the balance sheet upon retirement or disposal, or when no future economic benefits are expected from the use or retirement/disposal of the asset. Gains or losses arising on the disposal or retirement of an asset comprise the difference between the selling price and the carrying amount of the asset, less direct selling costs. Gains and losses are recognized as other operating income/expenses. Depreciation begins when the asset is acquired, and the useful life applied is three years.

Testing of Write-Down Requirement for Activated Development Expenses

The Group carried out impairment tests to determine the recoverable amount of the projects capitalized as of 31 March 2026 and not yet put into use. The value in use, meaning the present value of expected future cash flows for the products covered by the capitalized development expenditure, did not indicate any impairment requirement. These assets are therefore expected, with reasonable certainty, to generate sufficient net cash inflows in future years.

In calculating the recoverable amount of cash-generating units for the assessment of intangible assets, several assumptions regarding future conditions and estimates of parameters have been made. A description of these is provided in Notes K14 and K15.

Financial Instruments

A financial asset or financial liability is recognized in the balance sheet when the Group becomes a party to the contractual terms of the instrument. A financial liability is recognized when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received.

A financial asset is removed from the balance sheet when the rights under the contract are realized, expire or the Group loses control over them. The same applies to part of a financial asset. A financial liability is removed from the balance sheet when the obligation under the contract is fulfilled or otherwise extinguished. The same applies to part of a financial liability.

Classification and valuation

Financial assets are classified based on the business model in which the asset is managed and the characteristics of the asset's cash flows. If the financial asset is held within a business model whose objective is to collect

contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that consist solely of payments of principal and interest on the principal amount outstanding, the asset is measured at amortized cost. The Group applies this business model to all financial assets.

If the objective of the business model is instead achieved both by collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that consist solely of payments of principal and interest on the principal amount outstanding, the asset is measured at fair value through other comprehensive income.

All other business models, where the purpose is to hold assets for trading or where the characteristics of the cash flows preclude other business models, result in measurement at fair value through profit or loss.

Financial liabilities are measured at fair value through profit or loss if they are held for trading or if they are initially designated as liabilities at fair value through profit or loss. Other financial liabilities are measured at amortized cost. All of the Group's financial liabilities are recognized in this category.

Financial instruments are initially recognized at cost, corresponding to the fair value of the instrument plus transaction costs, with the exception of financial assets and liabilities measured at fair value through profit or loss, which are recognized at fair value excluding transaction costs.

Amortized cost and the effective interest method

For financial assets and liabilities measured at amortized cost, measurement is performed using the effective interest method. The effective interest rate is the rate that, when discounting all expected future cash flows over the expected term, results in the initially recognized carrying amount of the financial asset or financial liability, adjusted for any loss allowance.

Fair Value Measurement

The fair value of financial assets and liabilities is determined on the basis of quoted market prices in active markets. The fair value of other financial assets and liabilities is determined using generally accepted valuation models, such as discounting future cash flows and using information obtained from current market transactions.

For all financial assets and liabilities, the carrying amount is considered to be a good approximation of fair value, unless otherwise specifically stated.

Offsetting of financial assets and liabilities

A financial asset and a financial liability are offset and recognized as a net amount in the balance sheet only when there is a legal right to offset the amounts and there is an intention to settle the items on a net basis or to realize the asset and settle the liability simultaneously. The legal right must not be dependent on future events and must be legally enforceable for the company and the counterparty in the normal course of business and in the event of default, insolvency or bankruptcy.

Impairment of financial assets

A loss allowance is recognized for expected credit losses on financial assets measured at amortized cost. The loss allowance is measured at an amount corresponding to 12-month expected credit losses. For financial instruments for which there has been a significant increase in credit risk since initial recognition, an allowance is recognized based on credit losses over the entire lifetime of the asset, the general model. Changes in expected credit losses are recognized in profit or loss.

Expected credit losses are recognized taking into account reasonable and supportable information, including forward-looking information. Expected credit losses are measured in a way that reflects an objective and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money and reasonable, supportable information regarding current conditions and forecasts of future economic conditions.

For trade receivables, contract assets and lease receivables, a simplified approach is available, meaning that the Group directly recognizes expected credit losses for the remaining lifetime of the asset, the simplified model. Expected credit losses are calculated using a provision matrix based on historical events, current conditions and forecasts of future economic conditions.

Cash and cash equivalents, as well as receivables from Group companies and accrued income, are covered by the general model. For cash and cash equivalents and intra-Group receivables, the low credit risk exemption is applied. The Group assesses that financial assets with low credit risk at the reporting date are not considered to have been exposed to a significant increase in credit risk.

The Group defines default as when it is considered unlikely that the counterparty will meet its obligations. The criteria used to determine whether there is objective evidence of impairment include significant financial difficulties of the debtor, a breach of contract, such as default or delinquency in interest or principal payments, or the probability that the borrower will enter bankruptcy or other financial reorganization. In any event, default is considered to have occurred when payment is 90 days overdue. The Group writes off a receivable when no further cash flows are expected to arise.

Historically, the Group has had low credit losses. The effects of calculated credit allowances have been assessed as immaterial to the Group's financial reporting.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is calculated using the first-in, first-out principle (FIFO). Net realizable value is defined as the selling price less costs of completion and selling expenses.

Trade Receivables

Trade receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest method, less any provision for impairment. A provision for impairment of trade receivables is recognized when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, the probability that the debtor will enter bank-

ruptcy or financial reorganization, and default or delinquency in payments, overdue by more than 30 days, are considered indicators that a trade receivable may be impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. Both losses relating to trade receivables and recoveries of previously impaired trade receivables are recognized in the income statement.

The carrying amount of trade receivables, after any impairment, is assumed to correspond to their fair value, as this item is short-term in nature.

Liquid Funds

Cash and cash equivalents include cash, bank balances and other short-term investments with a maturity of three months or less from the date of acquisition.

Share Capital

Ordinary shares are classified as equity. Any transaction costs directly attributable to the issue of new shares are recognized, net of tax, in equity as a deduction from the proceeds of the issue.

Dividends

Dividends to shareholders of the Parent Company are recognized as a liability in the Group's financial statements in the period in which the dividend is approved.

Provisions

A provision differs from other liabilities in that there is uncertainty regarding the timing of payment or the amount required to settle the provision. A provision is recognized in the balance sheet when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation. A pre-tax discount rate is used that reflects current market assessments of the time value of money and the risks associated with the provision. The increase in the provision due to the passage of time is recognized as interest expense.

Trade Liabilities

Trade liabilities are initially recognized at fair value and subsequently at amortized cost using the effective interest method. The carrying amount of trade payables is assumed to correspond to their fair value, as this item is short-term in nature.

Remuneration to Employees

Short-term remuneration

Short-term employee benefits are calculated without discounting and recognized as an expense when the related services are received.

Remuneration After End of Employment

Pension plans

Within EQL Pharma there are only defined contribution pension plans.

Defined contribution pension plans are classified as the plans in which EQL Pharma's obligation is limited to the fees the Company has undertaken to pay. Pension costs for defined contribution plans are charged to profit or loss as the employees perform their services. The obligations are calculated without discounting, as payments for all these plans fall due within 12 months.

Max Matthiessen

Commitments for retirement pensions and family pensions for salaried employees in Sweden are partly secured through insurance with Alecta. According to a statement from the Swedish Corporate Reporting Board, UFR 10, this is a defined benefit multi-employer plan. The Group does not have access to the information required to account for this plan as a defined benefit plan. The ITP pension plan secured through insurance with Max Matthiessen is therefore accounted for as a defined contribution plan.

Remuneration of Severance of Employment

An expense for termination benefits is recognized only if the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. When benefits are offered to encourage voluntary redundancy, an expense is recognized if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

Profit-Sharing and Bonus Schemes

The Group recognizes a liability and an expense for bonuses where bonus remuneration has been approved. The Group recognizes a provision when there is a legal obligation or a constructive obligation.

Contingent Liabilities

Information on a contingent liability is disclosed when there is a possible obligation arising from past events whose existence will be confirmed only by one or more uncertain future events, or when there is an obligation that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required.

Statements of Cash Flows

The cash flow statements are prepared using the indirect method. The reported cash flow includes only transactions that result in cash inflows and outflows. EQL Pharma's cash and cash equivalents comprise cash and bank balances.

Financial Commitments

The business is associated with various types of risks that may affect the company's earnings, financial position and future development. These risks include changes in market conditions, economic developments, financing terms, and operational and strategic risks.
The company works continuously to identify, evaluate and manage these risks through structured processes and internal procedures. The objective is to limit negative effects while taking advantage of opportunities.
Despite active risk management, it cannot be ruled out that events beyond the company's control may affect the business going forward.

NOTE K3 Critical Estimates and Assessments

Capitalization of Development Expenditure

An intangible asset that arises from development, or in the development phase of an internal project, is recognized as an asset in the balance sheet only if the Group can demonstrate that all of the criteria in IAS 38:57 have been met. There are three main criteria that are analyzed in order to assess historical expenditure and whether it meets the criteria for capitalization, 1) the probability of future economic benefits, 2) whether financing had been arranged at the time when the expense was incurred, and 3) whether the expenses attributable to the development of the product can be reliably calculated.

Identification of the development phase is important to ensure whether capitalized expenditure can be capitalized. The value of the recognized assets is dependent on future returns on the products to which the development expenditure relates. The management also evaluates the development projects on an ongoing basis to identify any impairment. Incorrect judgment and assumptions can have an impact on the Group's results and financial position.

Testing of Write-Down Requirement for Activated Development Expenses

The Group carried out write-down tests to determine the recoverable amount for the projects activated as of 31 March 2026 and which have yet to be brought into use. The value in use, the present value of expected future cash flows for the products covered by the activated development expenses, did not indicate any write-down requirement. There is, thus, a reasonable certainty that these assets are expected to generate a sufficient incoming payment surplus in years to come.

Useful Lives of Intangible Assets

Another critical judgment relates to the determination of the useful lives of the company's intangible assets. The useful lives are based on management's estimates and experience and reflect the period during which the assets are expected to generate economic benefits for the business. These estimates are subject to uncertainty and may change due to, for example, market or business developments. Such changes may affect the amount of annual amortization and the carrying value of the assets. Consequently, there is a risk that the estimated useful lives may not fully reflect the actual economic life of the assets, which in turn may impact the company's earnings for the period and its financial position.

Other Areas Involving Assessments

Among the other main areas that involve assessments are obsolescence assessments for inventories, allowances for uncertain trade receivables, provisions for guaranteeing obligations and provisions for restructuring.

NOTE K4 Financial Risks

Financial Risk Factors

The Group is exposed through its business operations to a number of different financial risks: currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimize potential unfavorable effects on the Group's financial results.

The risk management is carried out by the CEO in consultation with the CFO in accordance with the guidelines decided by the board.

Currency Risk

The Group operates internationally and is subject to currency risks that arise from different currency exposures, mainly concerning EUR and USD. The principal exposure stems from the Group's purchases in foreign currencies. These currency risks concern the risk of fluctuations in the value of trade liabilities as well as the currency risk in expected and contracted payment flows. The Group does not apply hedging to currency flows.

Net transaction exposure is allocated over the following currencies:

Original currency	Net transaction exposure	Effect on operating profit if SEK appreciation by 5%	Effect on operating profit if SEK depreciation by 5%
EUR	-180,197	-9,010	9,010
DKK	80,429	4,021	-4,021
USD	-20	-1	1
INR	-1,726	-86	86
Total	**-101,515**	**-5,076**	**5,076**

A change in the SEK exchange rate against these currencies of +/-5% would have an effect on operating profit of +/- KSEK 5,076.

Interest Rate Risk Regarding Cash Flows and Fair Values

The Group has no interest-bearing receivables but does have interest-bearing liabilities. A rise in the market interest rate of 1 percentage point would mean a negative effect on earnings of 3,500 KSEK on an annual basis.

The Group's interest rate risk arises through long-term borrowing. Borrowings with variable interest rates expose the Group to an interest rate risk regarding cash flows which is in part neutralized by liquid funds with a variable interest rate. Borrowings with fixed interest rates expose the Group to an interest rate risk regarding fair value.

Credit Risk

Credit risk is managed at the Group level. Credit risk arises through liquid funds and balances at banks and finance institutions as well as credit exposure vis-à-vis the Group's customers, including outstanding receivables and contracted transactions. The maximum credit risk exposure consists of the carrying amount of the exposed assets. The risk that Group customers do not fulfill their obligations, i.e. that payment is not received from customers, constitutes a customer credit risk. Based on historical data, The Group deems that no write-down of trade receivables that are not yet due is necessary at accounting year-end and the management does not expect any losses due to nonpayment from these counter parties. For a duration analysis of overdue but not written down trade receivables, see note K19. The Group has procedures in place for credit controls, debt collection and advances for customers with poor payment tendencies.

Liquidity Risk

The Group's liquidity risk pertains to the Group lacking liquid funds to pay for its obligations. Liquidity developments are continuously followed up via liquidity forecasts.

Management of Capital Risk

The Group's aim concerning the capital structure is to secure the Group's ability to continue its operations, so that it can continue to generate returns for the shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep capital-related costs down.

Fair Value Measurement

Financial assets and financial liabilities measured at fair value in the balance sheet are classified according to one of three levels based on the information used to establish the fair value. The tables below give details of the Group's classification of financial assets and liabilities measured at fair value.

- ✓ **Level 1:** Quoted prices (non-adjusted) on active markets for identical instruments.
- ✓ **Level 2:** Input data other than the quoted prices included in Level 1.
- ✓ **Level 3:** Non-observable input data for assets or liabilities.

The Group has no financial instruments that are recognized at fair value. The recognized carrying amount of all financial assets and liabilities is considered a good approximation of its fair value, unless otherwise specified.

NOTE K5 Segment Reporting

EQL Pharma's segment information is presented based on the group management's perspective and operating segments are identified based on the internal reporting to the group management. EQL Pharma's operations consist of just one operating segment, Medicine, and reference is therefore made to the income statement and balance sheet concerning reporting of operating segments.

Income Break-Down by Geographic Market

KSEK	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Sweden	144,661	164,832
Denmark	162,144	106,483
Norway	21,025	32,157
Finland	12,842	13,751
Rest of Europe	91,155	55,739
Outside Europe	835	553
Total income	**432,661**	**373,516**

Information on Major Customers

The Group does not have any customers that individually make up 10% or more of the Group's revenue.

The following page specifies the Group's non-current assets (excluding financial instruments and deferred tax assets including right-of-use assets) by geographical market.

Fixed Assets by Geographic Market

KSEK	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Sweden	5,903	6,324
Total	**5,903**	**6,324**

The Group's intangible assets are not included in fixed assets per country as they are not allocated per country.

NOTE K6 Remuneration to Auditors

KSEK	2025/2026	2024/2025
Deloitte AB		
Audit engagement	1,009	1,082
Other services	53	160
Total	**1,062**	**1,243**

Audit engagement refers to the statutory audit of the annual and consolidated financial statements and accounts, the board's and CEO's administration as well as auditing and other reviews carried out in accordance with an agreement or contract. Other services refer to auditing services in addition to the audit engagement, tax advice and other consultancy services in connection with the company's listing process.

NOTE K7 Leasing Agreements

Lessees

The Group leases several types of assets including premises, vehicles and printers.

Leasing Liability According to the Balance Sheet

KSEK	2025/2026	2024/2025
Short term component	2,900	2,752
Long term component	2,687	3,045
Total liability	**5,587**	**5,797**

The Group does not face any significant liquidity risk concerning its leasing liabilities.

Right-Of-Use Assets

KSEK	2025/2026	2024/2025
Cost at beginning of year	11,903	7,792
Additional right-of-use assets	1,217	4,110
Effects of adjusted rent	0	0
Closing Cost	**13,120**	**11,903**
Accumulated depreciation		
Opening accumulated depreciation	-7,206	-5,418
Depreciation for the year	-1,419	-1,787
Total accumulated depreciation	**-8,625**	**-7,206**
Carrying amount	**4,495**	**4,697**

Amount Reported in Income Statement

KSEK	2025/2026	2024/2025
Depreciation amount for right of use	-1,419	-1,787
Interest expense for leasing liability	-243	-209
Leasing costs attributable to short-term leasing liabilities	-	-
Leasing costs attributable to leasing agreements of low value	-	-

Amount Reported in the Statement of Cash Flows

KSEK	2025/2026	2024/2025
Total cash flows attributable to leasing agreements	**-2,782**	**-2,341**

The cash flow above includes amounts for leasing agreements that are reported as leasing liabilities, as well as amounts paid for variable leasing fees, short-term leasing and leases of low value.

Leasing of Premises

The Group leases premises for offices. Leasing agreements usually have a duration of three years. Property tax charged by the property owner constitutes a variable fee. There are future obligations concerning variable leasing fees, which follow the leasing agreement's leasing period.

Leasing of Vehicles and Other Leasing Agreements

The Group leases vehicles with leasing periods of three years in most cases. In addition, there are other leasing agreements such as for printers with leasing periods of one year. These agreements are classified as low value leases.

NOTE K8 Grants Received

No grants were received in 2025/26 or 2024/25.

NOTE K9 Employees, Personnel Costs and Fees to Board Members

	2025/2026		2024/2025	
Employees	**Total**	**Of whom men**	**Total**	**Of whom men**
Average number of employees*	23	9	21	9
Board	6	5	6	5

**Average number of employees is based on company-paid attendance hours related to normal working time.*

KSEK	2025/2026			2024/2025		
	Salaries and remuneration	Social security contributions	Of which pension costs	Salaries and remuneration	Social security contributions	Of which pension costs
Board & CEO	6,643	2,466	630	3,389	1,017	314
Other employees	21,662	9,468	2,411	19,140	7,200	1,330
Total salaries and remuneration	**28,305**	**11,934**	**3,041**	**22,979**	**8,217**	**1,644**

Salaries, Remunerations and Other Benefits

2025/2026	Base salary[2]/ Board remuneration	Variable remuneration	Other benefits	Pension
Chairman				
Christer Fåhraeus	490			
Board members				
Anders Månsson	330			
Nikunj Shah	250			
Linda Neckmar	280			
Raymond De Vré	280			
Per Svangren	270			
CEO	3,128	1,390	225	630
Other senior executives[1]	9,501	1,097	464	1,154
Total	**14,529**	**2,487**	**689**	**1,784**

1) Other senior executives comprise six individuals. Of the total remuneration, consultant fees comprised base salary of SEK 817 thousand, benefits of SEK 86 thousand, and pension contributions of SEK 40 thousand.

2) Base salary also includes holiday pay

Salaries, Remunerations and Other Benefits

2024/2025	Base salary[2]/ Board remuneration	Variable remuneration	Other benefits	Pension
Chairman				
Christer Fåhraeus	340			
Board members				
Anders Månsson	200			
Nikunj Shah	150			
Linda Neckmar	180			
Per Ollermark	210			
Per Svangren	170			
CEO	1,771	622	196	314
Other senior executives[1]	7,472	852	203	789
Total	**10,606**	**1,474**	**399**	**1,103**

1) Other senior executives comprise six individuals.

2) Base salary also includes holiday pay

In accordance with the resolution of the Annual General Meeting, Board fees amounting to SEK 1,700 thousand (1,050) are payable until the next Annual General Meeting, of which SEK 450 thousand (300) is payable to the Chairman of the Board and SEK 250 thousand (150) to each Board member.

No agreements exist regarding pensions, severance pay or other benefits.

Fees for the Audit Committee amount to SEK 120 thousand (120), of which SEK 60 thousand (60) is payable to the Chair of the Audit Committee and SEK 30 thousand (30) to each of the other members of the Audit Committee.

Fees for the Remuneration Committee amount to SEK 80 thousand (80), of which SEK 40 thousand (40) is payable to the Chair of the Remuneration Committee and SEK 20 thousand (20) to each of the other members of the Remuneration Committee.

Since the Annual General Meeting held in August 2025, the Board has consisted of six members (6).

In accordance with the resolution of the Annual General Meeting, remuneration to senior executives is paid in accordance with the Company's remuneration guidelines. In general, this means that market-based salaries and other terms of employment apply to executive management. In addition to fixed salary, a bonus scheme is applied under which bonuses may amount to a maximum of 100% of the annual fixed salary. Remuneration may also be provided in the form of share options.

Incentive Programmes

A summary of the option programmes in the Group is provided below.

Options Scheme

During the financial year, the Company granted a total of 100,000 warrants to the Company's Chief Executive Officer. The warrants were issued at their market value at the time of subscription, as determined by the independent valuation firm Optionspartner using the Black-Scholes valuation model. The subscription price per warrant amounted to SEK 7.38, generating proceeds of SEK 738 thousand.

Subscription for shares through the exercise of the warrants may take place during the period from 19 February 2029 up to and including 5 March 2029. The vesting conditions provide that the participant earns the right to the warrants annually over a period of 3.5 years, subject to continued employment during each respective vesting period.

Each warrant entitles the holder to subscribe for one new share in the Company at a subscription price of SEK 135.33 per share.

The following principal assumptions were applied in the valuation of the warrants:

- Risk-free interest rate: 1.882% (based on Swedish government bonds with a maturity corresponding to the remaining term of the warrants)
- Volatility: 29.4% (based on the historical volatility of EQL Pharma's share)
- Share price at the valuation date: SEK 87.20
- Exercise price: SEK 135.33 (200% of the average share price during the ten trading days following the publication of the Company's interim report for April–June 2025)

If all warrants issued under the incentive programme are exercised for subscription of shares, a total of 100,000 new shares will be issued, corresponding to a dilution of approximately 0.34% of the Company's share capital and voting rights.

During the financial year, the Company also granted a total of 220,000 warrants to senior executives. The warrants were issued at their market value at the time of subscription, as determined by the independent valuation firm Optionspartner using the Black-Scholes valuation model. The subscription price per warrant amounted to SEK 4.49, generating proceeds of SEK 987.8 thousand.

Subscription for shares through the exercise of these warrants may take place during the period from 2 September 2030 up to and including 16 September 2030. The vesting conditions provide that the participant earns the right to the warrants annually over a period of 3.5 years, subject to continued employment during each respective vesting period.

Each warrant entitles the holder to subscribe for one new share in the Company at a subscription price of SEK 124.85 per share.

The following principal assumptions were applied in the valuation of the warrants:

- Risk-free interest rate: 2.359% (based on Swedish government bonds with a maturity corresponding to the remaining term of the warrants)
- Volatility: 29.3% (based on the historical volatility of EQL Pharma's share)
- Share price at the valuation date: SEK 52.02
- Exercise price: SEK 124.85 (200% of the average share price during the ten trading days following the publication of the Company's interim report for September–December 2025)

If all warrants issued under this incentive programme are exercised for subscription of shares, a total of 220,000 new shares will be issued, corresponding to a dilution of approximately 0.74% of the Company's share capital and voting rights.

During the financial year, two senior executives and one key employee exercised warrants under the Company's outstanding warrant programmes. In total, 466,000 warrants were exercised under the two programmes, each entitling the holder to subscribe for one (1) new share in the Company at a subscription price of SEK 72.05 and SEK 67.50 per share, respectively. As a result, the Company received total cash proceeds of approximately SEK 31.8 million.

The Company has previously granted a total of 320,000 warrants to employees, including the Chief Executive Officer and other senior executives. The vesting conditions provide that participants earn the right to the warrants annually over a period of 3.5 years, subject to continued employment during each respective vesting period.

The Company currently has five outstanding warrant programmes under which a maximum of 640,000 new shares may be issued. If all warrants issued and held by participants under the 2022/2027, 2023/2028, 2024/2028, 2025/2029 and 2026/2030 warrant programmes are exercised in full, a total of 640,000 new shares will be issued, corresponding to a total dilution of approximately 3.42% of the Company's share capital and voting rights after full dilution, calculated based on the number of shares that would be issued upon full exercise of all outstanding warrants.

For a summary of the outstanding warrants, see Note K21.

NOTE K10 Other Operating Income and Expenses

KSEK	2025/2026	2024/2025
Other operating income		
Sick pay compensation	0	0
Insurance compensation	906	619
Leasing income	400	400
Other items	1,789	120
Total other operating income	**3,095**	**1,140**

NOTE K11 Financial Income and Expenses

KSEK	2025/2026	2024/2025
Interest income	5	7
Results from the sale of short-term investments	0	0
	5	**7**
Depreciation, accrued financial asset	-4,098	-683
Interest expense	-26,147	-12,130
Interest, leasing agreements	-242	-209
	-30,487	**-13,022**
Total net financial income/expense	**-30,482**	**-13,015**

All interest income and interest expense refer to items that are not measured at fair value via the profit or loss. Interest expense includes already paid interest expense, which is allocated over the duration of the loan.

NOTE K12 Taxes

KSEK	2025/2026	2024/2025
Tax according to the applicable tax rate	-2,578	-3,423
Utilized fiscal deficit deduction	-3,089	-7,809
Tax recognized in income statement	**-5,667**	**-11,232**

The Group, Reconciliation Between Current Tax Rate and Effective Tax Rate

KSEK	2025/2026	2024/2025
Profit before tax	18,205	54,354
Tax according to the current tax rate	-3,750	-11,197
Effect of non-deductible expenses / non-taxable income	-149	-35
Effect of interest deduction limitations	-1,768	
Utilization of tax loss carryforwards	-	-
Other	-	-
Income tax recognized in the income statement	**-5,667**	**-11,232**

NOTE K13 Earnings per Share

KSEK	2025/2026	2024/2025
Earnings per share before dilution, Group total, SEK	0,42	1,48
Earnings per share after dilution, Group total, SEK	0,42	1,44
Number of outstanding shares at the end of the period	29,529 610	29,063 610
Average number of outstanding shares before dilution	29,529 610	29,063 610
Average number of outstanding shares after dilution	30,169 610	29,895 610

With reference to description under note K21.

NOTE K14 Capitalized Expenditure

KSEK	2025/2026	2024/2025
Opening accumulated cost	46,027	30,262
Investments for the year	30,884	15,765
Write-down for the year	0	0
Sales/disposals for the year	-	-
Closing accumulated cost	**76,911**	**46,027**
Opening accumulated depreciation	-8,449	-6,027
Depreciation for the year	-2,555	-2,422
Sales/disposals for the year	-	-
Closing accumulated depreciation	**-11,004**	**-8,449**
Closing carrying amount	**65,907**	**37,578**

Write-Down Testing

With reference to description under note K15.

NOTE K15 Licensed and Development Products

KSEK	2025/2026	2024/2025
Opening accumulated cost	404,116	180,166
Investments for the year	30,913	223,950
Write-down for the year	-965	0
Sales/disposals for the year	-	-
Closing accumulated cost	**434,064**	**404,116**
Opening accumulated depreciation	-39,447	-31,091
Depreciation for the year	-19,412	-8,357
Sales/disposals for the year	-	-
Closing accumulated depreciation	**-58,859**	**-39,447**
Closing carrying amount	**375,204**	**364,668**

Write-Down Testing

When determining the useful life of licensed and development products, individual factors are considered to assess how long a licensed or development product is expected to generate significant revenue. Variables such as the product's popularity, market potential, and competitive landscape are taken into account. Therefore, it is essential to carefully evaluate each license agreement and adjust its duration according to the specific circumstances of each product. The useful life is generally 5–20 years for licensed products and 10–15 years for development products. Depreciation begins upon the product's launch. If the market potential for a product declines earlier than initially assessed, an updated analysis and evaluation are conducted, potentially leading to an adjustment of the useful life. Intangible assets with indefinite useful lives and intangible assets not yet ready for use are tested annually regarding any write-down requirement, or when there is an indication of a depreciation. Intangible assets that are in use are tested for any write-down requirement when there is an indication of a depreciation.

All intangible assets are continuously tested for impairment. To conduct the impairment test, the assets and/or CGUs (Cash-Generating Units) that are part of the Company's operations are defined. Tangible assets include equipment, while intangible assets include trademarks, patents, licensed products, or development products. The group then assesses whether there is any indication that an asset has decreased in value. Assessment of

whether there is an indication is based on the asset's forecasted contribution to the result. If the asset's contribution to the result is low, the group makes an assessment of the asset's recovery value. Recoverable value refers to the higher of an asset's fair value, less selling costs, and its value in use. In most cases, there is insufficient market information to estimate the asset's fair value. Thus, the value in use is utilized to assess the value of the asset. This is estimated as the present value of the estimated future cash flows associated with the asset. The estimated value in use reflects assumptions about market developments, forecasted sales and margins, future tax rates, and discount rate. The discount rate used in the present value calculation of the expected future cash flows is the current weighted average cost of capital (WACC) determined within the group at the time. With respect to the extensive assumptions, actual cash flows may deviate significantly from the values obtained from the forecasted cash flows. The starting point is to determine the recoverable amount for each individual asset. Each asset may have different risk levels, market conditions, and growth potential, which means that different assets may require different WACC and growth rates to be properly valued.

If an asset has higher risk levels or lower growth potential than the company's average, it may be more appropriate to apply a higher WACC and a lower growth rate to accurately reflect these factors in the valuation. Similarly, an asset with lower risk and higher growth potential may require a lower WACC and a higher growth rate for proper valuation.

Therefore, it is crucial to carefully analyze and assess each asset individually to determine appropriate WACC and growth rates for valuations and write-down testing.

If an asset's carrying value exceeds its recoverable amount, the asset is written down by the corresponding amount. All impairments are immediately recognized in the income statement. Intangible fixed assets related to the company's development projects, for which development is discontinued, are reviewed for impairment and written down to their fair value (which is usually zero).

The estimated cash flows have been estimated by forecasting sales for years 1–5 (i.e., total market * the company's expected market share). For assets with a useful life of more than five years, the company estimates a declining sales rate of 2 (2) percent per year. The projected cash flows have been discounted at a pre-tax discount rate of 12 (15) percent. The most important variables in the forecast are market share and growth, gross margin, sales costs, and investments. The company's assessment is that the current projects are similar in terms of markets, customers, potential, and risks. Based on this, the final judgment was made to use the same WACC and growth rates for all projects.

NOTE K16 Tangible Fixed Assets

KSEK	Leased premises		Machines and inventories	
	2025/2026	2024/2025	2025/2026	2024/2025
Opening accumulated cost	9,898	5,661	4,470	3,165
Investments during the year	27	4,237	2,278	1,305
Disposals during the year			-1,092	
Closing accumulated cost	**9,925**	**9,898**	**5,656**	**4,470**
Opening accumulated depreciation	-6,094	-4,459	-1,949	-1,693
Depreciation for the year	-1,272	-1,635	-968	-256
Reversed depreciation	0	0	605	0
Closing accumulated depreciation	**-7,366**	**-6,094**	**-2,312**	**-1,949**
Closing planned residual value	**2,559**	**3,804**	**3,344**	**2,521**
Of which right-of-use assets	**2,559**	**3,804**	**2,957**	**1,898**

NOTE K17 Inventories

KSEK	2025/2026	2024/2025
Goods for resale	191,960	160,180
Goods in transit	8,603	18,880
Obsolescence reserve	-30	-30
Closing acquisition value	**200,533**	**179,031**

NOTE K18 Trade Receivables

KSEK	2025/2026	2024/2025
Trade receivables	92,744	125,682
Reserve for uncertain trade receivables	0	0
Total	**92,744**	**125,682**

Past due	31-03-2026	31-03-2025
Not yet due	87,313	102,576
1–30 days	5,689	27,176
31–60 days	-782	1
61–90 days	0	0
More than 90 days	523	-4,071
Total	**92,744**	**125,682**

Trade receivables are monitored continuously and despite a number of due trade receivables there is no assessment of the risk of credit losses or uncertain trade receivables.

The majority of receivables that are more than 31–60 days past due at the time of closing are due to a technical nature. The activities are regulated as of the issuance of this report.

NOTE K19 Prepaid Expenses and Accrued Income

KSEK	2025/2026	2024/2025
Insurance premiums	534	488
Rental of premises and property-related costs	365	362
Leasing costs	25	17
Software	212	436
Administrative costs	437	468
Accrued contracted income	15,967	5,038
Annual fees registration of medicine	2,903	4,932
Other items	2,031	1,244
Total	**22,474**	**12,985**

1) An impairment loss of SEK 8 million was recognised on contract assets.

NOTE K20 Liquid Funds

	2025/2026		2024/2025	
	Thousands, foreign currency	KSEK	Thousands, foreign currency	KSEK
EUR	925	10,128	354	3,841
GBP	0	3	0	3
NOK	0	0	0	0
SEK	51,980	51,980	74,239	74,239
USD	98	928	6	56
DKK	16,208	23,718	2,929	4,259
Total		**86,757**		**82,400**

NOTE K21 Shares and Other Contributed Capital

KSEK	Number of shares	Share capital	Free share premium reserve and retained earnings
Per April 1 2022	29,063 610	1,308	66,990
Per March 31 2023	29,063 610	1,308	67,183
Per March 31 2024	29,063 610	1,308	67,449
Per March 31 2025	29,063 610	1,308	67,642
Per March 31 2026	29,529 610	1,329	101,102

No dividend was distributed in 2024/2025 and 2025/2026.
No changes have occurred in 2024/2025. Warrants were exercised during the 2025/26 financial year, resulting in an increase in the number of shares.

Share capital: *All shares are of the same type, are fully paid and provide eligibility for one vote. No shares are reserved for transfer according to share option agreements or other agreements. The quota value is SEK 0.045 per share.*

Other contributed capital: *Other contributed capital consists of capital contributed by the owners of EQL Pharma.*

Share Warrants

Number	Subscription period	Subscription price	Potential share capital increase
70,000	01-06-2027 - 30-06-2027	52,50	3,150
100,000	01-06-2028 - 30-06-2028	56,37	4,500
50,000	01-06-2028 - 30-06-2028	56,37	2,250
100,000	21-02-2028 - 06-03-2028	111,93	4,500
100,000	19-02-2029 - 05-03-2029	135,33	4,500
120,000	02-09-2030 - 16-09-2030	124,85	5,400
100,000	02-09-2030 - 16-09-2030	124,85	4,500
640,000			**28,800**

Share Warrants 2025/2026

Summary allocated warrants	Average exercise price in SEK per warrant	Number of warrants
Per April 1, 2025	70,18	832,000
Granted	128,13	320,000
Forfeited	72,05	-46,000
Exercised	68,14	-466,000
Granted/ Forfeited		
Outstanding as of March 31 2026	**100,51**	**640,000**
Outstanding as of March 31 2026	**0**	**0**

Outstanding weighted average expected contract term for options outstanding at the end of the period: *30 months*

The Group values synthetic options based on an accepted valuation model (Black & Scholes). Decisive parameters in the option valuation are assumed market values for the company's share, the exercise price, the share's volatility and how long the remaining term of the option is.

A warrant entitles the holder to subscribe for one share.

NOTE K22 Interest-Bearing Liabilities

KSEK	2025/2026	2024/2025
Long-term liabilities to credit institutions	342,486	338,387
Current liabilities to credit institutions	3,730	4,112
Total	**346,216**	**342,499**

Lender

KSEK	Outstanding principal	
	0–1 year	1–5 years
Senior secure bonds	3,730	342,486

On January 24 2025, EQL Pharma AB (publ) issued senior secured bonds in the amount of SEK 350,000,000 under a framework of up to SEK 700,000,000. The bonds have a maturity of three years and carry interest at a rate of 3-month STIBOR plus 400 basis points.

The group has no interest-bearing liabilities with a term longer than 5 years.

NOTE K23 Doubtful Trade Receivables

KSEK	2025/2026	2024/2025
Depreciation and write-downs of assets	23,091	12,517
Total	**23,091**	**12,517**

NOTE K24 Pledged Invoices/Pledged Inventory

KSEK	2025/2026	2024/2025
Granted pledged invoice credit amounts to:	34,000	34,000
Granted pledged inventory credit amounts to:	100,000	100,000
Total credit	**134,000**	**134,000**
Utilized credit	**107,537**	**107,412**

The book value is SEK 138 million. The market value is higher than the book value, which is sufficient security for the bank.

NOTE K25 Other Current Liabilities

KSEK	2025/2026	2024/2025
VAT liability	10,004	5,533
Other current liabilities	1,280	1,213
Total	**11,284**	**6,747**

NOTE K26 Accrued Expenses and Deferred Income

KSEK	2025/2026	2024/2025
Personnel-related costs	4,801	4,136
Sub-consultants	211	194
Costs of goods	2,800	320
Auditing costs	225	125
Distribution costs	540	301
Total	**8,576**	**5,076**

NOTE K27 Liabilities for Which Security is Provided

KSEK	2025/2026	2024/2025
Senior secured bonds	342,486	338,387
Pledged invoices	7,210	7,012
Pledged inventory	100,327	100,400
Accrued interest of pledged inventory	4,197	6,523
Interest senior secured bonds	21,707	4,112
Pledged assets		
For own liabilities		
Senior secured bonds	350,000	350,000
Pledged trade receivables	7,210	7,012
Inventories	100,327	100,400
Chattel mortgages	2,000	500
Total	**459,537**	**457,912**

The borrowing of the pledged inventory has taken place initially, not on an ongoing basis. The inventory is pledged at market value. If the market value is less than the pledged inventory, the loan must be amortized.

NOTE K28 Changes in Liabilities from Financing Activities

Presented below is a reconciliation of opening and closing balances of liabilities related to financing activities

KSEK	Opening balance	Cash flow	Closing balance
Bond loan	338,387	4,099	342,486
Inventory Financing	100,400	-73	100,327
Pledged invoices	7,012	198	7,210
Other	6,721	39,013	45,734
Total	**452,520**	**43,237**	**495,757**

NOTE K29 Currency Exchange Rates Used in the Financial Statements

Currency code	Average rate		Accounting year-end rate	
	2025/2026	2024/2025	31-03-2026	31-03-2025
DKK	1.464	1.531	1.463	1.454
EUR	10.93	11.42	10.94	10.85
GBP	12.64	13.57	12.60	12.99
NOK	0.9382	0.9774	0.976	0.9506
USD	9.43	10.64	9.52	10.03

The table shows the currency exchange rates used in the translation of financial statements for the foreign subsidiaries that draw up statements in a currency other than the currency in which the Group's financial statements are presented (SEK). The currency exchange rates have been obtained from Sweden's central bank, Riksbanken.

NOTE K30 Related Parties

Related Party Relationships

The Parent Company has related party relationships with its subsidiaries. Refer to Note M14. Of the Parent Company's total purchases and sales, 12.3 per cent (14.8) of purchases and 0 per cent (0) of sales pertain to intra-Group transactions.

Transactions with Key Management Personnel

In addition to what is stated regarding Remuneration to the board and senior executives in note K 9, transactions with related parties have taken place below.

Related party relationship	Year	Purchases of goods and developmental costs	Rent part of premises
Cadila	2025/26	-61,999	
Cadila	2024/25	-66,566	
Fåhraeus Institute AB	2025/26		136
Fåhraeus Institute AB	2024/25		136
Fåhraeus Startup & Growth AB	2025/26		0
Fåhraeus Startup & Growth AB	2024/25		0
FSG Management AB	2025/26		264
FSG Management AB	2024/25		264
Total		**-128,565**	**901**

Cadila is 100% owned by board member Rajiv I. Modi.
Fåhraeus Institute AB is 100% owned by the Chairman of the Board Christer Fåhraeus.
Fåhraeus Startup & Growth is 50% owned by Chairman of the Board Christer Fåhraeus.
FSG Management AB is 34% owned by Chairman of the Board Christer Fåhraeus.

Transactions with related parties arise in the ordinary course of business and are based on commercial terms and market prices.

NOTE K31 Events After Accounting Year End

EQL Pharma in the process of recruiting a new Chief Supply Chain Officer (CSCO)

April 27, 2026

EQL Pharma is recruiting a new Chief Supply Chain Officer (CSCO) with a strong background in CMO/CDMO operations. As a result, the current Chief Supply Chain Officer, Magnus Erreth, will be leaving the Company. Magnus has been with EQL Pharma since 2024 and will remain in his role until mid-June 2026 to ensure a smooth handover.

Methenamine hippurate (brand name Cystohipp©) launched in Germany

June 15, 2026

EQL's key product, methenamine hippurate, has now been launched in Germany by EQL's licensing partner Dr. Pfleger under the EQL-owned brand Cystohipp©.

Parent Company Income Statement

KSEK	Note	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Net sales	M2	432,650	371,910
Expenses for sold goods		-269,798	-216,481
Gross profit		**162,852**	**155,428**
Sales expenses	M4, M5, M6	-80,377	-58,443
Administration expenses	M3, M4, M6	-22,588	-19,794
Research and development expenses	M4, M5, M6	-14,308	-11,281
Other operating income	M7	3,095	1,140
Operating profit (EBIT)		**48,674**	**67,050**
Results from financial items			
Interest income and similar results	M8	3	7
Interest expense and similar results	M8	-30,243	-12,813
Net financial income/expense		**-30,240**	**-12,807**
Appropriations	M9	-15,000	-38,000
Earnings before tax (EBT)		**3,434**	**16,243**
Tax on profit for the year	M10	-2,578	-3,392
PROFIT FOR THE YEAR		**856**	**12,852**

Parent Company Balance Sheet

Assets

KSEK	Note	31-03-2026	31-03-2025
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized expenditure	M11	65,907	37,578
Licensed and development products	M12	192,963	172,766
Total intangible fixed assets		**258,870**	**210,344**
Tangible fixed assets			
Inventories, equipment, fixtures and fittings	M13	459	622
Total tangible fixed assets		**459**	**622**
Financial fixed assets			
Participations in group companies	M14	390	390
Participations in other companies		1	1
Deferred tax asset		0	0
Total financial fixed assets		**391**	**391**
Total fixed assets		**259,720**	**211,357**
Current assets			
Goods for resale	M15	200,494	178,971
Trade receivables	M16	92,742	125,677
Receivables from group companies		181,433	191,210
Other current receivables		1,362	150
Prepaid expenses and accrued income	M17	22,451	12,950
Liquid funds	M18	86,361	81,641
Total current assets		**584,843**	**590,599**
TOTAL ASSETS		**844,563**	**801,956**

Parent Company Balance Sheet

Equity and Liabilities

KSEK	Note	31-03-2026	31-03-2025
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	M19	1,329	1,308
Fund for development expenses		66,789	38,515
Total restricted equity		**68,118**	**39,823**
Non-restricted equity			
Retained earnings		88,061	70,023
Profit for the year		856	12,852
Total non-restricted equity		**88,917**	**82,875**
Total equity		**157,035**	**122,698**
Untaxed reserves			
Excess depreciation		138,000	123,000
Total untaxed reserves		**138,000**	**123,000**
Long-term liabilities			
Liabilities to credit institutions	M20	342,486	338,387
Total long-term liabilities		**342,486**	**338,387**
Current liabilities			
Liabilities to credit institutions	M20	3,730	4,112
Trade liabilities		70,278	90,845
Pledged invoices	M21	7,210	7,012
Pledged inventory	M21	100,327	100,400
Tax liabilities		6,064	4,062
Other current liabilities	M22	10,882	6,390
Accrued expenses and deferred income	M23	8,552	5,051
Total current liabilities		**207,043**	**217,871**
TOTAL EQUITY AND LIABILITIES		**844,563**	**801,956**

Parent Company Statement of Changes in Equity

KSEK	Restricted equity	Non-restricted equity		Total equity
	Share capital	Fund for development expenses	Retained earnings including profit for the year	Total
Equity brought forward as at April 1 2024	**1,308**	**25,127**	**83,217**	**109,652**
Transfer fund for development expenses		13,388	-13,388	0
Employee share options			194	194
Profit for the year			12,852	12,852
Closing equity as at March 31 2026	**1,308**	**38,515**	**82,875**	**122,698**
Equity brought forward as at April 1 2025	**1,308**	**38,515**	**82,875**	**122,698**
Transfer fund for development expenses		28,273	-28,273	0
Share issue	21		31,734	31,755
Employee share options			1,726	1,726
Profit for the year			856	856
Closing equity as at March 31 2026	**1,329**	**66,789**	**88,917**	**157,035**

Parent Company Statement of Cash Flows

KSEK	Note	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Operating activities			
Profit after financial items		48,674	67,050
Adjustment for items not included in the cash flow	M25	13,433	9,272
Interest paid		-30,240	-12,807
Tax		-2,578	-3,392
Cash flow from operating activities before changes in working capital		**29,289**	**60,124**
Changes in working capital			
Changes in inventories		-21,522	-73,344
Changes in current receivables		31,998	-259,249
Changes in current liabilities		-10,954	52,499
Cash flow from operating activities		**28,811**	**-219,970**
Investing activities			
Investment in intangible assets		-61,796	-46,488
Investment in tangible assets		0	-425
Cash flow from investing activities		**-61,796**	**-46,913**
Financing activities			
Amortization of loans		0	-15,453
Group contribution received		0	0
Share issue		31,755	
Share warrants		1,726	194
Raised loans		4,224	343,581
Cash flow from financing activities		**37,705**	**328,322**
CASH FLOW FOR THE PERIOD		**4,720**	**61,438**
Liquid funds at the start of the period		81,641	20,203
Liquid funds at the end of the period		**86,361**	**81,641**

Notes to the Parent Company Accounts

NOTE M1 Significant Accounting Principles

The parent company applies RFR 2 Financial reporting for legal entities. This means that in its financial statements, the parent company is mainly to apply the IFRS that are applied in the consolidated accounts. RFR 2 makes certain exemptions and additions to this rule, depending on whether application of IFRS contravenes Swedish law, that application leads to a tax situation that deviates from that which applies to other Swedish companies or that there are other valid reasons. The parent company applies other accounting principles than the Group in the cases stated below.

Layout of the Income Statement and Balance Sheet

The parent company uses the layouts stated in the Annual Accounts Act which, among other things, entails that a different presentation of equity is applied. Otherwise, the income statement and balance sheet are presented in the same way as for the Group. Certain terms in the balance sheet differ between the Group and the parent company which relates to the terms used in the Annual Accounts Act and the IFRS standards. Any provisions are reported in the parent company under a separate heading.

Shares in Subsidiaries

Purchase costs for shares in subsidiaries are activated as assets and recognized at the cost of acquisition after deductions for any write-downs. When there is an indication that shares and participations in subsidiaries have declined in value, a calculation is made of the recoverable amount. If this is lower than the carrying amount, there is a write-down. Write-downs are reported in the item "Profit/loss from participations in Group companies".

Leased Assets

The Parent Company applies the exemption in RFR 2 on IFRS 16 for leased assets. Utilization rights and lease liabilities are not recognized in the balance sheet as these are recognized as a cost on a straight-line basis over the lease period.

Financial Instruments

The Parent Company does not apply IFRS 9 Financial Instruments. The Parent Company applies a method based on cost in accordance with the Swedish Annual Accounts Act. This means that non-current financial assets are measured at cost less any impairment and current financial assets according to the lower of cost or market. Financial liabilities are measured at amortized cost using the effective interest method. The principles for recognition and derecognition of financial instruments as well as impairment of financial assets correspond to those applied to the consolidated financial statements, as described above.

NOTE M2 Net Sales

Net Sales by geographical market

KSEK	01-04-2025 31-03-2026	01-04-2024 31-03-2025
Sweden	144,650	163,226
Denmark	162,144	106,483
Norway	21,025	32,157
Finland	12,842	13,751
Rest of Europe	91,155	55,739
Outside Europe	835	553
Total net sales	**432,650**	**371,910**

NOTE M3 Remuneration to Auditors

KSEK	2025/2026	2024/2025
Deloitte AB		
Audit engagement	1,009	1,082
Other services	53	160
Total	**1,062**	**1,243**

Audit engagement refers to the statutory audit of the annual and consolidated financial statements and accounts, the board's and CEO's administration as well as auditing and other reviews carried out in accordance with an agreement or contract.

Other services refer to auditing services in addition to the audit engagement, tax advice and other consultancy services in connection with the company's listing process.

NOTE M4 Leasing Agreements

Leasing of Vehicles and Other Leasing Agreements

The Group leases vehicles with leasing periods of three years in most cases. In addition, there are other leasing agreements such as for printers with leasing periods of one year.

Responsibilities Concerning Current Leasing Agreements

KSEK	2025/2026	2024/2025
Due for payment within one year	2,303	2,196
Due for payment within two to five years	6,066	5,840
Closing debt	**8,369**	**8,036**

The group does not face any significant liquidity risk regarding its leasing liabilities.

NOTE M5 Grants Received

No grants were received in 2025/26 or 2024/25.

NOTE M6 Employees, Personnel Costs and Fees to Board Members

For information about personnel costs and remuneration for board members, please refer to Note K9 in the consolidated financial statements.

NOTE M7 Other Operating Income

KSEK	2025/2026	2024/2025
Other operating income		
Insurance compensation	906	619
Rental income	400	400
Other items	1,789	120
Total	**3,095**	**1,140**

NOTE M8 Financial Income and Expense

KSEK	2025/2026	2024/2025
Interest income	3	7
Depreciation financial asset	-4,098	-683
Interest expense	-26,145	-12,130
Total	**-30,240**	**-12,807**

All interest income and interest expense refer to items that are not measured at fair value via the profit or loss.
Interest expense includes already paid interest expense, which is allocated over the duration of the loan.

NOTE M9 Appropriations

KSEK	2025/2026	2024/2025
Depreciation in excess of plan	-15,000	-38,000
Total	**-15,000**	**-38,000**

NOTE M10 Taxes

KSEK	2025/2026	2024/2025
Tax on profit for the year	-2,578	-3,392
Reported tax in the income statement	**-2,578**	**-3,392**
Profit before tax	3,434	16,243
Tax according to the current tax rate	-707	-3,346
Effect of non-deductible costs/non-taxable income	-103	-45
Effect of interest deduction limitations	-1,768	
Tax reassessment, unutilized deficit deduction		
Reported tax in the income statement	**-2,578**	**-3,392**

NOTE M11 Capitalized Expenditure

KSEK	2025/2026	2024/2025
Opening accumulated cost	46,027	30,262
Investments for the year	30,884	15,765
Closing accumulated cost	**76,911**	**46,027**
Opening accumulated depreciation	-8,449	-6,027
Depreciation for the year	-2,555	-2,422
Closing accumulated depreciation	**-11,004**	**-8,449**
Closing carrying amount	**65,907**	**37,578**

Write-Down Testing

Refer to Note K14 in the consolidated financial statements.

NOTE M12 Licensed and Development Products

KSEK	2025/2026	2024/2025
Opening accumulated cost	209,774	179,052
Investments for the year	30,912	30,723
Write-down for the year	-965	
Sales/disposals for the year	-	-
Closing accumulated cost	**239,721**	**209,774**
Opening accumulated depreciation	-37,008	-30,262
Depreciation for the year	-9,751	-6,746
Sales/disposals for the year	-	-
Closing accumulated depreciation	**-46,759**	**-37,008**
Closing carrying amount	**192,963**	**172,766**

Write-Down Testing

Refer to Note K15 in the consolidated financial statements.

NOTE M13 Tangible Fixed Assets

KSEK	Machines and inventories 2025/2026	2024/2025
Opening accumulated cost	1,739	1,313
Investments for the year	0	425
Closing accumulated cost	**1,739**	**1,739**
Opening accumulated depreciation	-1,116	-1,013
Depreciation for the year	-163	-103
Closing accumulated depreciation	**-1,279**	**-1,116**
Closing planned residual value	**459**	**622**

NOTE M14 Shares in Group Companies

KSEK				2025/2026	2024/2025
Company	Corporate ID No.	Location	No/Share capital %	Carrying amount	Carrying amount
EQL Pharma Oy	2136140-3	Helsinki	100	40	40
Eql Pharma Int AB	556957-9484	Lund	100	350	350
				390	**390**

NOTE M15 Inventories

KSEK	2025/2026	2024/2025
Goods for resale	191,920	161,746
Goods in transit	8,603	17,255
Obsolescence reserve	-30	-30
Closing cost	**200,494**	**178,971**

NOTE M16 Trade Receivables

KSEK	2025/2026	2024/2025
Trade receivables	92,742	125,677
Reserve for uncertain trade receivables	0	0
Total	**92,742**	**125,677**

Past due	31-03-2026	31-03-2025
Not yet due	87,311	104,919
1–30 days	5,689	24,830
31–60 days	-782	0
61–90 days	0	-1
More than 90 days	523	-4,071
Total	**92,742**	**125,677**

Trade receivables are monitored continuously and despite a number of due trade receivables there is no assessment of the risk of credit losses or uncertain trade receivables.

NOTE M17 Prepaid Expenses and Accrued Income

KSEK	2025/2026	2024/2025
Insurance premiums	534	488
Rental of premises and property-related costs	365	362
Leasing costs	25	17
Software	212	436
Administrative expenses	437	468
Accrued contracted income	15,967	5,038
Annual fees registration medicine	2,880	4,897
Other items	2,031	1,244
Total	**22,451**	**12,950**

NOTE M18 Liquid Funds

	2025/2026		2024/2025	
	Thousands, foreign currency	KSEK	Thousands, foreign currency	KSEK
EUR	911	9,972	340	3,694
GBP	0	3	0	3
NOK	0	0	0	0
SEK	51,740	51,740	73,629	73,629
USD	98	928	6	56
DKK	16,208	23,718	2,929	4,259
Total		**86,361**		**81,641**

NOTE M19 Shares and Other Contributed Capital

KSEK	Number of shares	Share capital	Other contributed capital
As at April 1 2022	29,063 610	1,308	66,990
As at March 31 2023	29,063 610	1,308	67,183
As at March 31 2024	29,063 610	1,308	67,449
As at March 31 2025	29,063 610	1,308	67,642
As at March 31 2026	29,529 610	1,329	101,102

No dividend was distributed in 2024/2025 and 2025/2026.
No changes have occurred in 2024/2025. The exercise of warrants and the resulting increase in the number of shares occurred during the 2025/26 financial year.

Share capital: *All shares are of the same type, are fully paid and provide eligibility for one vote. No shares are reserved for transfer according to share option agreements or other agreements. The quota value is SEK 0.045 per share.*

Other contributed capital: *Other contributed capital consists of capital contributed by EQL Pharma's owners.*

Share Warrants

Number	Subscription period	Subscription price	Potential share capital increase
70,000	01-06-2027 - 30-06-2027	52.50	3,150
100,000	01-06-2028 - 30-06-2028	56.37	4,500
50,000	01-06-2028 - 30-06-2028	56.37	2,250
100,000	21-02-2028 - 06-03-2028	111.93	4,500
100,000	19-02-2029 - 05-03-2029	135.33	4,500
120,000	02-09-2030 - 16-09-2030	124.85	5,400
100,000	02-09-2030 - 16-09-2030	124.85	4,500
640,000			**28,800**

Subscription Options 2025/2026

Compilation of granted options	Average exercise price in SEK per option	Number of options
As at April 1 2025	70,18	832,000
Allocated	128,13	320,000
Forfeited	72,05	-46,000
Redeemed	68,14	-466,000
Accrued		
Outstanding as at March 31 2026	**100,51**	**640,000**
Redeemable as at March 31 2026	**0**	**0**

Outstanding weighted average expected remaining contract period for outstanding options at the end of the period: *30 months*

The group values synthetic options based on an accepted valuation model (Black & Scholes). The key parameters in the options valuation are assumed market values for the company's shares, the exercise price, the stock's volatility, and the remaining time to expiration of the option.

NOTE M20 Interest-Bearing Liabilities

KSEK	2025/2026	2024/2025
Long-term liabilities to credit institutions	342,486	338,387
Current liabilities to credit institutions	3,730	4,112
Total	**346,216**	**342,499**

Lender

KSEK	Amount during the term to maturity	
	0–1 year	1–5 years
Senior secure bonds	3,730	342,486

EQL Pharma AB (publ) issued senior secured bonds amounting to SEK 350,000,000 on January 24, 2025, under a framework of SEK 700,000,000. The bonds have a maturity of three years and bear interest at 3-month STIBOR plus 400 basis points.

The group has no interest-bearing liabilities with a term longer than 5 years.

NOTE M21 Pledged Invoices/Pledged Inventory

KSEK	2025/2026	2024/2025
Granted pledged invoice credit amounts to:	34,000	34,000
Granted pledged inventory credit amounts to:	100,000	100,000
Total credit	**134,000**	**134,000**
Utilized credit	**107,537**	**107,412**

NOTE M22 Other Current Liabilities

KSEK	2025/2026	2024/2025
Advances from customers	-	-
VAT liability	9,602	5,137
Other current liabilities	1,280	1,253
Total	**10,882**	**6,390**

NOTE M23 Accrued Expenses and Deferred Income

KSEK	2025/2026	2024/2025
Personnel-related costs	4,801	4,136
Sub-consultants	211	194
Cost of goods	2,800	320
Auditing costs	200	100
Distribution costs	540	301
Total	**8,552**	**5,051**

NOTE M24 Liabilities for Which Security is Provided

KSEK	2025/2026	2024/2025
Pledged invoices	7,210	7,012
Pledged inventory	100,327	100,400
Interest pledged inventory	-4,197	-6,523
Debts to credit institutions	342,486	350,000
Pledged assets		
For own liabilities		
Shares in subsidairies Eql Pharma Int AB	350,000	350,000
Pledged trade receivables	7,210	7,012
Inventories	100,327	100,400
Chattel mortgages	2,000	500
Total	**459,537**	**457,912**

NOTE M25 Cash Flow Analysis

KSEK	2025/2026	2024/2025
Depreciation and write-downs of assets	12,468	9,272
Other non cash items	965	0
Total	**13,433**	**9,272**

NOTE M26 Currency Exchange Rates Used in the Financial Statements

	Average rate		Accounting year-end rate	
Currency code	2025/2026	2024/2025	31-03-2026	31-03-2025
DKK	1.464	1.531	1.463	1.454
EUR	10.93	11.42	10.94	10.85
GBP	12.64	13.57	12.60	12.99
NOK	0.9382	0.9774	0.976	0.9506
USD	9.43	10.64	9.52	10.03

The table shows the currency exchange rates used in the translation of financial statements for the foreign subsidiaries that draw up statements in a currency other than the currency in which the Group's financial statements are presented (SEK). The currency exchange rates have been obtained from Sweden's central bank, Riksbanken.

NOTE M27 Proposal for the Allocation of the Company's Profit

The following retained earnings are available for the annual general meeting:	
Retained earnings	88,061
Profit for the year	856
Total, SEK	**88,917**

The board proposes that the above amounts be appropriated as follows:
The Board of Directors proposes that no dividend be paid for the financial year 1 April 2025 to 31 March 2026 and that retained earnings of SEK 88,917,192 be carried forward.

NOTE M28 Related Parties

Related Party Relationships

The Parent Company has related party relationships with its subsidiaries. Refer to Note M14. Of the Parent Company's total purchases and sales, 12.3 per cent (14.8) of purchases and 0 per cent (0) of sales pertain to intra-Group transactions.

Transactions with Key Individuals in Senior Positions

Besides what is stated in Note K9 Remuneration of the Board of Directors and senior executives, no transactions with related parties that are natural parties took place.

Related party relationships	Year	Purchase of goods and development costs	Rental of a portion of office space
Cadila	2025/26	-61,999	
Cadila	2024/25	-66,566	
Fåhraeus Institute AB	2025/26		136
Fåhraeus Institute AB	2024/25		136
Fåhraeus Startup & Growth AB	2025/26		0
Fåhraeus Startup & Growth AB	2024/25		0
FSG Management AB	2025/26		264
FSG Management AB	2024/25		264
Total		**-128,565**	**901**

Cadila is 100% owned by board member Rajiv I. Modi.
Fåhraeus Institute AB is 100% owned by the Chairman of the Board Christer Fåhraeus.
Fåhraeus Startup & Growth is 50% owned by Chairman of the Board Christer Fåhraeus.
FSG Management AB is 34% owned by the Chairman of the Board Christer Fåhraeus.

NOTE M29 Events After the Balance Sheet Day

For events after the balance sheet date, refer to Note K31 in the consolidated financial statements.

Board Statement

The consolidated financial statements and annual accounts have been drawn up in accordance with the IFRS international accounting standards, such as have been enacted by the EU, and with good accounting practice and provide a true and fair picture of the Group's and parent company's position and earnings. The directors' report for the Group and parent company provide a true and fair overview of the Group's and parent company's business, position and earnings and also describe significant risks and uncertainty factors faced by the parent company and the companies that are part of the Group. The annual accounts and consolidated financial statements have, as stated above, been approved for publication by the board on July 23 2026.

The Group's statement of comprehensive income and statement of financial position and the parent company's income statement and balance sheet will be subject to approval at the AGM on August 20 2026.

Lund 23-07-2026

Christer Fåhraeus
Chairman of the Board

Raymond De Vré
Board member

Nikunj Shah
Board member

Linda Neckmar
Board member

Per Svangren
Board member

Anders Månsson
Board member

Axel Schörling
Chief Executive Officer

Our Audit's Report was presented 24-07-2026

Maria Ekelund
Authorized Public Accountant, Deloitte AB

Auditor's Report

To the general meeting of the shareholders of EQL Pharma AB
corporate identity number 556713-3425

Report on the annual accounts and consolidated accounts

Opinions
We have audited the annual accounts and consolidated accounts of EQL Pharma AB for the financial year 01-04-2025 - 31-03-2026. The annual accounts and consolidated accounts of the company are included on pages 45–88 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of March 31 2026 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 March 2026 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions
We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters
Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of intangible assets
The Group's reported values of SEK 441 million in intangible assets are distributed as SEK 375 million in licenses and development products and SEK 66 million in capitalized expenses. The assets are tested for impairment annually during the fourth quarter or as soon as changes indicate a potential need for impairment. Since the total value of these assets constitutes a significant part of the company's balance sheet and is sensitive to changes in assumptions, such as operating margin development and discount rate, this area is of particular importance in our audit.

For further information, refer to the accounting principles on pages 55–60 and notes K14–K15 and M11–M12. In our audit, we have carried out review procedures which have included, among other things, that we have:

- ✓ Developed an understanding of the management's process for preparing key estimates and assumptions;
- ✓ Reviewed and assessed EQL Pharma's procedures for impairment testing of intangible assets and evaluated that the assumptions made are reasonable, that the procedures are consistently applied, and that integrity exists in the calculations made; and
- ✓ Reviewed the completeness and accuracy of relevant notes to the financial statements.

Other information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–45 and 92–93. The Board of Directors and the Managing Director are responsible for this other information. Our opinion on the annual accounts and consolidated

accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar

This description forms part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of EQL Pharma AB for the financial year 01-04-2025 - 31-03-2026 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect has undertaken any action or been guilty of

any omission which can give rise to liability to the company, or in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibilities for the audit of the management's administration is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for EQL Pharma AB for the financial year 01-04-2025 - 31-03-2026.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of EQL Pharma AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Managing Director

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of EQL Pharma AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, 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.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director. The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts. Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Deloitte AB was appointed auditor of EQL Pharma AB by the general meeting of the shareholders on 21-08-2025 and has been the company's auditor since 2022/2023.

Malmö 24-07-2026
Deloitte AB

Maria Ekelund
Authorized Public Accountant

The AGM and Calendar

According to the Companies Act, the Annual General Meeting is the Company's highest decision-making body. At the Annual General Meeting, the shareholders exercise their voting rights on key issues such as adoption of the income statement and balance sheet, appropriation of the Company's earnings, granting of discharge from liability to the members of the board and CEO, election of board members and auditors, and remuneration to the board and auditors.

The Annual General Meeting must be held within six months of the end of the financial year. In addition to the Annual General Meeting, the shareholders may be called to an extraordinary general meeting. According to the articles of association, the notice to convene the Annual General Meeting is through an announcement in Post- och Inrikes Tidningar and through the notice being made accessible on the Company's website www.eqlpharma.com. The notice has also been announced at the same time in Svenska Dagbladet. If publication of Svenska Dagbladet were to cease, the announcement would instead be made through Dagens Industri.

The Right to participate in the Annual General Meeting

The right to participate in the Annual General Meeting is held by those shareholders registered as a shareholder in the share register maintained by Euroclear Sweden as stipulated in chapter 7, section 28, paragraph 3 of the Companies Act (i.e. the share register applies to conditions six bank days before the Annual General Meeting and takes into account voting rights registrations of nominee-registered shares that have been made at the latest four bank days before the Annual General Meeting) and who have notified the Company of their intention to participate at the latest on the day stated in the notice to convene the Annual General Meeting. This day is not to be a Sunday, public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and is not to fall earlier than the fifth weekday before the Annual General Meeting.

In addition to informing the Company of their intention to participate in the Annual General Meeting, shareholders whose shares are registered with nominees must, through a bank or other nominee, request that these shares are temporarily registered in their own name in the share register maintained by Euroclear Sweden in order to have the right to participate in the Annual General Meeting.

If a shareholder intends to be represented by a proxy, the number of proxies is to be stated in the notification. Shareholders are entitled to vote in relation to all the shares that they hold.

Initiatives by Shareholders

Shareholders who wish to have a matter addressed by the Annual General Meeting must submit a request in writing to the board. The request is normally to be received by the board at the latest seven weeks before the Annual General Meeting.

Nominating Committee

At the Annual General Meeting held on August 21 2025, it was decided that the chairman of the board, immediately after the registered ownership of the Company on December 31 2025 is known, is to contact the three largest registered owners in terms of votes according to the Company's share register and ask them to each appoint a member of the nominating committee. If these shareholders do not wish to appoint a member, a request is then made to the next-largest registered owners in terms of votes until three owner representatives have been appointed. The members appointed in this way are to comprise the nominating committee.

The chairman of the board is to convene the nominating committee, but not be included as a member. However, the nominating committee may choose to co-opt the chairman of the board for part of the nominating committee's work. The nominating committee then appoints a chairman from among its members. The names of the nominating committee members are to be published by the Company at the latest six months before the 2026 Annual General Meeting.

If a shareholder that appointed a member of the nominating committee should have a lower placing on the list of the largest shareholders in the Company in terms of votes before the nominating committee's duties have been completed, the member appointed by the shareholder, unless the Nominating Committee decides otherwise, is to be replaced by a new member appointed by the shareholder who at that juncture is the largest registered shareholder in terms of votes that is not already represented in the nominating committee. Should one of the members of the nominating committee resign for some reason before the nominating committee duties have been completed The Annual General Meeting and

calendar or cease to represent the shareholder who appointed the member, such a member, if the shareholder who appointed the member so requests, is to be replaced by a member appointed by the shareholder.

The term for a nominating committee appointed in this way is to run until a new nominating committee has taken up the duties. No remuneration is paid for the members' work in the nominating committee. If required, the Company is to cover reasonable costs that the nominating committee deems necessary for the nominating committee to fulfill its assignment. The nominating committee may also co-opt members to the nominating committee if this is considered appropriate. Co-opted members do not have a right to vote in the nominating committee.

The nominating committee's duties consist of preparing and putting forward proposals for shareholders at the Annual General Meeting regarding the chairman of the meeting, the number of board members, the election of board members and chairman of the board, election of auditor, board and auditor fees, any changes in the instructions for the nominating committee as well as other issues that may arise in the committee's work.

The composition of the nominating committee for the 2026 Annual General Meeting is announced on EQL Pharma's website. At the end of December 2025, the three largest shareholders were Cadila Pharmaceuticals Ltd, Fårö Capital AB and Sten Irwe. All have agreed to participate in the nominating committee's work. Thus, the nominating committee for the 2026 Annual General Meeting comprises Christer Fåhraeus (Fårö Capital AB), Rajiv I Modi (Cadila Pharmaceuticals Ltd.) and Sten Irwe.

Annual General Meeting

The Annual General Meeting of EQL Pharma (publ) will be held on Thursday August 20 2026 at 16.00 at EQL Pharma AB's premises at Stortorget 1 in Lund. The notice to convene the AGM is available on EQL Pharma's website: www.eqlpharma.com.

Right to Participate and Registration

Shareholders who wish to participate in the Annual General Meeting must be registered as a shareholder in the share register maintained by Euroclear Sweden AB on August 13 2026, and notify the Company by August 13 2026, preferably before 16.00, of their intention to attend the Annual General Meeting.

Notification of AGM attendance shall be submitted in writing, stating the shareholder's name, personal ID or corporate ID number, address, email and telephone number, as well as the number of shares owned, to EQL Pharma AB for the attention of:

EQL Pharma AB
att: Allan Sylvest Aasberg
Stortorget 1
222 23 LUND

or via email to
allan.aasberg@eqlpharma.com

Share Registration

Shareholders of holdings in custody through a nominee must temporarily register the shares in their own names with Euroclear Sweden AB to be entitled to participate in the meeting. Such registration must be completed no later than August 13 2026 and should be requested of the nominee well in advance of this date.

Other Information

Upcoming reporting dates

Interim report Apr–Jun (Q1)	07-08-2026
Interim report Apr–Sep (Q2)	05-11-2026
Interim report Oct–Dec (Q3)	04-02-2027
Year-end report (Q4)	05-05-2027

Financial reports, press releases and other information are available on EQL Pharma's website, www.eqlpharma.com, from the date of publication. You can subscribe to and download EQL Pharma's financial reports and press releases from the company's website, or via OMX Nasdaq's web page.

For environmental and cost reasons, EQL Pharma has decided to primarily distribute its annual report via the company's website. It will still be possible for those shareholders and stakeholders who request it to order a copy of the printed version of the annual report from the company to be sent by post. For further information, please contact Axel Schörling, Chief Executive Officer, tel +46 763 179 060 or email: info@eqlpharma.com

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