

REPORT AND RECOMMENDATIONS FROM THE NOMINATION COMMITTEE IN PHOTOCURE TO THE ANNUAL GENERAL MEETING TO BE HELD ON MAY 23, 2024

1) NOMINATION COMMITTEE MANDATE AND MEMBERSHIP

The mandate of the Nomination Committee is stipulated in the Articles of Association § 7:

“The company shall have a Nomination Committee.

The Nomination Committee shall make recommendations to the general meeting regarding election of shareholder-elected members of the Board of Directors, remuneration to the members of the Board of Directors, election of members to the Nomination Committee and remuneration to the members of the Nomination Committee.

The Nomination Committee shall consist of two to three members out of whom at least two shall be shareholders or representatives of shareholders. The members of the Nomination Committee, including the chairperson of the Nomination Committee, are elected by the general meeting for a term of one year. Remuneration to the members of the Nomination Committee is determined by the general meeting.

The general meeting shall resolve the instructions for the Nomination Committee.”

At the Annual General Meeting (AGM) on May 5th 2023, Robert Blatt (leader), Lars Viksmoen and Hans Peter Bøhn were elected to the Nomination Committee.

2) THE ACTIVITIES OF THE NOMINATION COMMITTEE

The committee has been in contact with the interim Board Chairman, Dylan Hallerberg. The CEO, Dan Schneider has also been consulted. All board members have been interviewed by at least one member of the Nomination Committee. The interest of largest shareholder, Briarwood Capital has been represented through Robert Blatt.

3) PROPOSED COMPOSITION OF THE BOARD OF DIRECTORS

The BoD appears to function well. The skillsets and experience of the Board members are well matched to the expected need of Photocure over the coming 12 months. The interaction and collaboration between the BoD and the Executive Management is also working well. However, Malene Brondberg and Johanna Holldack have indicated that they will not be available for reelection at the 2024 AGM. The nomination committee is grateful to both Malene and Johanna for their contributions to the company.

Except for Malene Brondberg and Johanna Holldack, all board members are up for election, and all have agreed to be nominated for re-election. Dylan Hallerberg has had a highly successful tenure as interim board chair, and we propose Dylan as chair. We propose that Ghizlane Tagmouti is elected to replace the departing board members.

About Ghizlane Tagmouti:

Ghizlane Tagmouti is an experienced investment professional specializing in the healthcare sector, with a background in mergers and acquisitions. She worked at Advent International in London from 2015 to 2024, and contributed to several of the firm's investments including the acquisition of ICE Pharma and Zentiva, where she served as a board member. Prior to Advent, Ghizlane was on the investment banking team at

Morgan Stanley in Paris and London. Ghizlane holds a Master Grande Ecole in Finance from ESCP Europe and is fluent in Arabic, English, French, and Spanish.

The Nomination Committee propose the following board is to be elected at the 2024 AGM:

Dylan Hallerberg (chair)	(re-election)
Neal Shore (board member)	(re-election)
Ghizlane Tagmouti (board member)	(new elect)

All proposed candidates are independent of major shareholders. The proposal from the Nomination Committee is based on a careful evaluation of the Board's composition and function versus the company's needs. It is our belief that the proposed Board is eminently suited to help meeting the challenges the company faces at present and up to the ordinary AGM in 2025.

4) REMUNERATION OF BOARD MEMBERS

During the year 2023, the value of the NOK versus EUR and USD has depreciated. As all of the Board Members are domiciled outside Norway, we propose to compensate for this and general inflation. Additionally, the company maintains a smaller board of directors which demands more time from each board member. The Nomination Committee proposes to raise the value of the total remuneration by approximately 10% for board members and 14% for the chairperson from the 2024 AGM. We propose that the value of the raise be composed entirely of the Options parts of the remuneration package.

4a) Cash remuneration

For the May 2024 AGM we propose to leave the cash compensation unchanged, while continuing to gradually phase in stock options to supplement the cash remuneration.

Chairperson: NOK 620 000 annually
Board Members: NOK 360 000 annually

4b) Stock options

The Nomination Committee proposes that the 2024 AGM resolves to raise the number of stock options to the Board of Directors in such a way that the value of the increase corresponds to an approximate increase of 10% for board members and 14% for the chair vs. last year's total remuneration package (Cash plus Options).

The Nomination Committee proposes that the board members, in addition to the cash compensation proposed under 4a (above), shall receive a number of options corresponding in value to ~25% of the remuneration paid to board members in the current year, based on a Black-Sholes formula. Options may be granted at terms similar to the existing share option program for management, with the following adjustments:

- Pricing – the strike price will be set at a 10% premium to the weighted average closing price in the 30 business days following the AGM
- Options are granted starting this year, following the AGM The expiration of each option is 5 years from date of vesting

- The share options shall vest upon completion of a one year term as a board member, defined as the period from the annual general meeting that elects the board member until the first following annual general meeting
- At retirement/non-reelection of a board member, all granted options vest immediately followed by a limited exercise window
- The nomination committee shall monitor the board option program, and shall decide the further terms and conditions for the program, including claw back regulations

The Nomination Committee propose to authorize 20,227 shares to be issued underlying stock options for the board (about 7.5bps of annual gross dilution): Each board member will receive 5,124 options with the Chair entitled to 9,979 options

4c) Compensation for time spent on international travel

As an extra incentive for attracting board members from outside Norway, the Nomination Committee proposed in 2017 to compensate board members for the working hours lost while on international travel. The arrangement pertains to Photocure board members domiciled abroad and is applicable for travels to and from Board meetings.

The Nomination Committee proposes to continue the scheme:

For each working hour thus spent traveling, Board members domiciled outside Norway are compensated the equivalent of EUR 125.

5) COMPOSITION OF THE NOMINATION COMMITTEE

All members of the Nomination Committee wish to be re-elected for another period and as follows: Robert Blatt (leader) Hans Peter Bøhn (member) Lars Viksmoen (member)

6) REMUNERATION OF THE NOMINATION COMMITTEE

Our proposed remuneration of the Nomination Committee for the period ending at the 2024 AGM is:

Committee members: NOK 20,000

Robert Blatt has chosen to forgo any remuneration for his work on the Nomination Committee.

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The proposals from the Nomination Committee are unanimous.

New York, April 29th, 2024

Robert Blatt

(Committee Leader)