

OPTION PROGRAM 2025-1 OF BIORETEC LTD

The Board of Directors of the Company proposes to the Annual General Shareholders' Meeting (the "**Company**") to be held on 21st March 2025, to resolve on the issuance of option rights ("**Option Rights**") to members of the Board of Directors of the Company.

1 TERMS AND CONDITIONS OF OPTION RIGHTS

1.1 Amount of Option Rights

The maximum total number of Option Rights issued is 150,000 Option Rights, and they entitle to subscribe for a maximum total of 150,000 new shares in the Company ("**Share**" or "**Shares**").

1.2 Option Rights

The Option Rights are marked with the symbol 2025-1.

1.3 Directed issuance of Option Rights and the subscription price of the Option Rights

The Option Rights shall be given free of charge. There are weighty financial reasons to issue the Option Rights because the Option Rights are intended to be a part of the incentive and commitment program of the members of the Board of Directors.

1.4 Granting of Option Rights

The Annual General Meeting of shareholders decides on the grant of option rights to the members of the Board of Directors elected at the Annual General Meeting.

When issuing the Option Rights, the Board of Directors may decide on specific additional conditions concerning the Option Rights. Distribution of Option Rights to individuals outside Finland may be restricted, or it may be subject to additional terms on the basis of local laws and/or other regulations.

The Board of Directors (or the CEO and/or CFO authorized by the Board of Directors) shall send by letter, or by other provable means, a confirmation about the offering of Option Rights to the recipients of the Option Rights. Option Rights shall be deemed granted after the recipient of Option Rights has accepted the offer.

The Option Rights constitute a discretionary and one-off part of the incentive plan. The Option Rights are not a part of any employment, consultancy, or service agreement of the Option Right holder and are not considered as salary or fringe benefit. The Option Right holder has no right to receive any compensation related to the Option Rights during or after being a member of the Board of Directors.

Holders of Option Rights are solely responsible for any tax or tax-related obligations, which arise in connection with the receipt of exercise of the Option Rights.

1.5 Transfer and forfeiture of Option Rights

The Company shall hold the Option Rights on behalf of the Option Right holder until the commencement of the Share subscription period. The Option Rights may freely be transferred and pledged only after the Share subscription period has commenced. If the Option Rights holder transfers or pledges their Option Rights, they will be obliged to inform the Company about the transfer or pledge in writing, without delay. The Board of Directors may, at its discretion, resolve to restrict the transfer of stock options in certain countries, e.g., for legal or administrative reasons.

In the event that the Option Right holder's term as a member of the Board of Directors of the Company is terminated due to any reason, he or she shall forfeit to the Company or to its order without consideration his or her Option Rights for which the Share subscription period specified in Section 2.2. has not commenced on the day the term ends. As an exception to the above, the Board of Directors may resolve that the holder of the Option Rights may keep such Option Rights, or a part of them.

The Board of Directors may decide to incorporate the Option Rights into the book-entry system. If the Option Rights have been incorporated into the book-entry system, the Company has the right to transfer to itself or to its order all forfeited Option Rights from the book-entry securities account of the Option Right holder into a book-entry securities account determined by the Company without the consent of the Option Right holder. The Company has the right to register transfer or other special restrictions related to the Option Rights into the book-entry account of the Option Right holder without the consent of the Option Right holder.

These terms and conditions do not confer the Option Right holder any right during the term as member of the Board of Directors or thereafter for any reason to obtain compensation due to forfeiture of the Option Rights.

2 TERMS OF SHARE SUBSCRIPTION

2.1 Right to subscribe Shares

One Option Right entitles to subscribe for one new Share. The Subscription Price payable for the subscription of Shares shall be recorded in the Company's reserve for invested unrestricted equity.

2.2 Subscription and payment of the Shares

Shares can be subscribed to on the basis of the Option Rights, as follows:

- with the first 33% of the Option Rights given to the Option Right holder: the share subscription period starts on the 22nd of March 2026,
- the following 33% of the Option Rights given to the Option Right holder: the share subscription period starts on the 22nd of March 2027,

- the remaining 34% of the Option Rights given to the Option Right holder: the share subscription period starts on the 22nd of March 2028.

In the event that the commencement of a subscription period described above would apply to a number of Shares that is not a whole number, the number of Shares for which the subscription period has begun shall be rounded down to the closest whole number. The Share subscription period for the last installment comprises the subscription period of all the Shares that can be subscribed to on the basis of the Option Rights of the Option Right holder.

The subscription period for the Shares to be subscribed based on the Option Rights shall end on 31 December 2030.

In case the last day of the subscription period is not a banking day, the subscription for Shares can be made on the first banking day following the last subscription day.

The Shares shall be subscribed at the head office of the Company unless otherwise instructed by the Company. The Shares shall be paid upon subscription to a bank account indicated by the Company. The Company's Board of Directors shall determine all procedural matters applicable to the share subscription.

2.3 Subscription price of the Shares

The subscription price shall be the trade volume weighted average quotation of the share on Nasdaq Helsinki Ltd maintained Nasdaq First North Growth Market Finland marketplace from 20 December 2024 to 20 March 2025 increased by 10%, rounded downwards to the nearest cent.

The subscription price of a Share may be reduced in certain cases mentioned in section 2.7 below. However, the subscription price of a share shall always be at least EUR 0.01/share.

2.4 Registration of the shares

Shares subscribed and fully paid for shall be registered in the book-entry account of the Option Right holder after such shares have been registered to the trade register.

The Board of Directors will register any new shares subscribed in the Trade Register, approximately at the end of each quarter.

If the Option Rights have been incorporated into the book-entry system, the Option Rights used for share subscription shall be removed from the book-entry account of the Option Holder in connection with the share subscription.

2.5 Shareholder rights

The right to dividends and any other shareholder rights will arise upon the registration of the new Shares with the Trade Register and their delivery on the subscriber's book-entry account.

2.6 Shares issues, option right programs, and other special rights entitling to shares prior to share subscription.

If the Company resolves, prior to share subscription, to issue new shares (including a share issue, the purpose of which is to carry out a share split) or new option rights or other special rights entitling to shares in accordance with the pre-emptive right of the shareholders, the Option Right holders shall receive equal treatment with shareholders. Equal treatment shall be provided as determined by the Board of Directors, either by adjusting the amount of Shares to be issued or the subscription price of the Shares to be issued or both. A directed issue of shares or a directed issue of new option rights or other special rights entitling to shares has no impact on the rights of the holder of the Option Rights, unless the Board resolves otherwise for specific reasons.

2.7 Rights in certain situations

If the Company pays dividends or returns funds from unrestricted equity before Share subscription, the subscription price of the Shares that may be subscribed by exercising an Option Right shall be reduced by the amount of the dividend and/or the amount of the distributable invested unrestricted equity per Share, on each dividend record date and/or each record date of the repayment of equity.

If the Company resolves to decrease its share capital by distributing share capital to the shareholders, the subscription price of the Shares that may be subscribed by exercising an Option Right shall be reduced by the amount of the distributable share capital per Share resolved before Share subscription, on the record date of the repayment of share capital.

As an exception to what is mentioned above in section 2.2, if a party offers to acquire all issued and outstanding shares and option rights in the Company or if a shareholder of the Company owns directly or indirectly more than 2/3 of the Company's issued and outstanding shares, the Board of Directors of the Company shall advance the beginning of the subscription period of the Shares mentioned above in section 2.2 in such a way that the holders of the Option Rights will be able to exercise their Share subscription rights in whole or in part.

If the Company is placed into liquidation, the holders of the Option Rights shall be reserved with the right to exercise their Share subscription rights during a time period set by the Board of Directors. If the Company is dissolved and removed from the Trade Register, the holders of Option Rights shall have the same or equal rights as those of a shareholder in the Company.

Should the Company as the merging company resolve to merge with another existing company or a company to be incorporated, or to de-merge such that the Company's corporate existence is terminated, the holders of the Option Rights shall be reserved with a right to subscribe the Shares within a time limit set by the Board of Directors prior to the implementation of the merger or de-merger. Alternatively, the Board of Directors may grant the holders of the Option Rights the right to exchange the Option Rights for option rights issued by the receiving company as determined in the merger or de-merger plan or as determined by the Board of Directors or the right to sell the Option rights prior to registration of implementation of the merger or de-merger. Thereafter, any rights to share subscription shall lapse. The same procedure also applies

to a cross-border merger or de-merger or if the Company, after having registered itself as a European Company (Societas Europae) or otherwise, registers a transfer of its domicile into another member state within the European Economic Area. The Board of Directors shall decide on the effects of any partial de-merger on the Option Rights. In aforementioned situations, the holders of the Option Rights are not entitled to demand that the Company redeems their Option Rights.

If the Company in a directed manner acquires or redeems its own shares or acquires option rights or other special rights entitling to shares, this does not affect the rights of the holders of the Option Rights. If the Company resolves to acquire its own shares from all its shareholders, a similar offer has to be made for the holder of Option Rights, provided that the acquisition is made against consideration.

If the Company acquires or redeems its own shares in proportion to the holdings of shareholders or carries out a reverse split, the subscription price of the Shares that may be subscribed pursuant to the Option Rights, the subscription price of the Shares, the number of Shares to which Option Rights entitle, or both, shall be adjusted correspondingly. The Board of Directors shall then resolve on the amendments to the Option Rights.

Should a shareholder, prior the end of the subscription period, be entitled to the redemption right or become subject to the redemption obligation referred to in the Finnish Companies Act, Chapter 18, Section 1, based on the ownership of the shareholder exceeding 90% of the Company's shares and votes, the holders of the Option Rights shall be reserved the right to exercise their subscription right within the time to set by the Board of Directors, after which the right to subscribe for Shares shall lapse, or the holders of the Option Rights shall have a similar obligation to assign the Option Rights to the redeemer notwithstanding the prohibition of transfer in section 1.5 above.

3 OTHER TERMS AND CONDITIONS

These terms and conditions are governed by the laws of Finland. Disputes arising out of the Option Rights will be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Central Chamber of Commerce. The venue of the arbitration proceeding shall be Helsinki and the number of arbitrators shall be one. The language of the arbitration proceedings shall be Finnish.

The Board of Directors may resolve on technical amendments to these Option Terms and on other amendments and specifications to these terms, provided that they are not considered material. The Board of Directors decides on other matters related to the Option Rights and the Board of Directors is entitled to give binding orders to the holders of the Option Rights.

The Company has the right to redeem the Option Rights that have not been transferred or exercised from a holder of Option Rights without payment, if the holder of Option Rights acts in violation of these terms and conditions, orders based on these terms and conditions or in violation of applicable law or orders given by the authorities.



Option Rights may be distributed to individuals who are located outside Finland. In these cases, the Option Rights plan will be operated in a way that complies with the legislation of the country where the individual is located. If the Option Rights plan needs to be completed or amended in any way in order to comply with local laws (whether in general or in relation to any particular option rights distribution, including option right distributions already made), the Board may make such additions and/or amendments as it considers reasonably necessary, within the requirements of the laws of Finland.

The Company is entitled to maintain a register of holders of Option Rights, which may include personal details. The Company is entitled to give any notice related to the Option Rights by email to the Option Right holders.

Notice to Option Right Recipients in the United States

*The Option Rights and the underlying Shares have not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States and may not be offered, sold or transferred in or into the United States, except pursuant to an exemption from, or in transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. For recipients in the United States, the Company intends to rely on the exemption afforded by Rule 701 under the Securities Act (“**Rule 701**”).*

Recipients of Option Rights in the United States must be natural persons.

For Option Right holders in California, the Board of Directors of the Company will not consider transfer requests pursuant to Section 1.5 above except for transfers by will, by the laws of descent and distribution, to a revocable trust, or as permitted by Rule 701.