

REPORT OF THE BOARD OF DIRECTORS OF ALMIRALL, S.A. ON THE PROPOSAL FOR A RESOLUTION RELATING TO ITEM 12 OF THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS

This report has been prepared by the Board of Directors of Almirall, S.A. (“**Almirall**” or the “**Company**”) to support the proposal to increase the share capital of the Company, fully paid up, with charge to voluntary reserves from retained earnings, for a determinable amount. The proposal is to be submitted under Item 12 of the Agenda for approval by the General Meeting of Shareholders of the Company to be held on 10 May 2024, at 13:00 hours, on first call, and on 11 May 2024, at the same time, on second call.

This report is made in accordance with the provisions of sections 286 and 296 of Royal Legislative Decree 1/2010, of 2 July, approving the restatement of the Spanish Companies Act (the “**Spanish Companies Act**”), which requires the Board of Directors to draw up a report setting out the reasons for the proposals to be submitted to the General Meeting of Shareholders, in so far as the approval of such proposals and their implementation necessarily entail the amendment of Article 5 of the Articles of Association, relating to the share capital and the shares of the Company.

A description of the purpose and reasons for the capital increase and its main terms are set out below.

1. PURPOSE AND REASONS FOR THE SHARE CAPITAL INCREASE

1.1 PURPOSE

The purpose of the proposed capital increase is to implement a flexible system of shareholder remuneration.

This flexible shareholder remuneration system is in line with the Company's commitment to applying the best corporate governance practices, in particular with regard to shareholder remuneration. The purpose of this remuneration system is to offer all shareholders of the Company the opportunity to choose to receive newly issued paid-up shares in the Company or a cash amount by transferring to the Company the free allocation rights they receive for the shares they hold. Shareholders will also have the option to sell such rights on the market, in which case the amount they will receive will depend on market conditions and the listing price for such rights.

1.2 STRUCTURING THE TRANSACTION AND SHAREHOLDER OPTIONS

The offer to shareholders of an option to receive, at their choice, Almirall shares or cash (the “**Alternative Option**”) has been structured through a share capital increase charged to reserves (the “**Capital Increase**”) as submitted for the approval of the Annual General Meeting of Shareholders under Item 13 of its Agenda. Upon implementation by the Board of Directors of the Capital Increase:

- (A)** Almirall shareholders will receive one free allocation right for each Almirall share they hold. These rights are negotiable and, as such, may be transferred on the Spanish Stock Exchanges for at least fourteen (14) calendar days, after which the rights will be

automatically converted into newly issued Almirall shares which will be allocated to their holders. The specific number of shares to be issued in the Capital Increase and, therefore, the number of rights required for the allotment of a new share will depend on the stock price of the Almirall share at the time of the implementation of the Capital Increase (the “**Stock Price**”), in accordance with the procedure described in this report. As explained below, the total number of shares to be issued will be such that their market value, calculated at the Stock Price, will be approximately EUR 8, which is the Alternative Option Amount fixed for the bonus share Capital Increase.

- (B) Almirall will irrevocably commit to purchase the allocation rights at a fixed price (the “**Purchase Commitment**”). This fixed price will be calculated prior to the opening of the trading period for the free allocation rights based on the Stock Price (so that the price per right will be the result of dividing the Stock Price by the number of rights necessary to receive one new share plus one). Almirall thus guarantees that all shareholders will be able to monetise their rights and receive the cash.

Accordingly, upon implementation of the Capital Increase, Almirall shareholders will have the option, at their discretion:

- (A) Not to transfer their free allocation rights. In this case, at the end of the trading period shareholders will receive the number of fully paid new shares to which they are entitled.
- (B) To transfer all or part of their free allocation rights to Almirall under the Purchase Commitment. In this way, instead of receiving shares, shareholders would opt to monetise their rights and receive their remuneration in cash. This option is granted only in relation to the free allocation rights that have been allotted free of charge. Accordingly, it is not possible to apply for the cash option in respect of free allocation rights purchased or otherwise acquired on the market.
- (C) To transfer all or part of their free allocation rights on the market. In this case, shareholders would also choose to monetise their rights, except that they would not benefit from a guaranteed fixed price, as in the case of the previous option. The consideration for their rights would depend on market conditions in general, and on the stock price quoted from time to time for such specific rights.

The gross value of the proceeds received by the shareholder under options (A) and (B) will be equivalent, as the Stock Price will be used both to determine the fixed price of the Purchase Commitment and the number of free allocation rights required for the allotment of one new share. In other words, the gross price that shareholders will receive if they sell all of their free allocation rights under the Purchase Commitment to Almirall will be equal to the value of the new shares that they will receive if they do not sell their rights, calculated at the market price of the Company's share taken on the date of implementation of the Capital Increase (i.e. the Stock Price). Depending on their needs, shareholders of the Company may combine any of the above options. Please note, however, that the tax treatment of the various options is different. A summary of the tax regime applicable to the aforementioned options in Spain can be found in section 2.6 below.

1.3 TOTAL ALTERNATIVE OPTION AMOUNT AND PRICE OF THE PURCHASE COMMITMENT

The Company intends to offer shareholders fully paid-up shares valued, in accordance with the Stock Price, at a gross total of EUR 39,784,807.56 (the “**Alternative Option Amount**”)¹, i.e., approximately EUR 0.19 gross per share².

Given that, as indicated above, the Purchase Commitment is intended to enable shareholders to monetise the Alternative Option Amount, and taking into account that each outstanding share will grant its holder one free allocation right, the gross price per right at which the Purchase Commitment will be provided would be equal to the amount per share of the Alternative Option Amount indicated above, i.e. EUR 0.19 gross approximately.

The final purchase price shall be determined and published in accordance with paragraph 2.3. Please note that the above figures are only indicative.

2. MAIN TERMS AND CONDITIONS OF THE CAPITAL INCREASE

The main terms and conditions of the Capital Increase are described below.

2.1 AMOUNT OF THE CAPITAL INCREASE, NUMBER OF SHARES TO BE ISSUED AND NUMBER OF FREE ALLOCATION RIGHTS REQUIRED FOR THE ALLOTMENT OF ONE NEW SHARE

The number of shares to be issued in the Capital Increase will be the result of dividing the Alternative Option Amount by the value of the Almirall share taken at the time the Board of Directors resolves to carry out the Capital Increase (i.e. the Stock Price). The figure so calculated shall be rounded off to obtain a whole number of shares and a whole conversion ratio of rights to shares.

Once the number of shares to be issued has been determined, the amount of the Capital Increase will be obtained by multiplying such number of new shares by the nominal value of the Almirall shares (EUR 0.12 per share). The Capital Increase will therefore be carried out at par, with no share premium.

Specifically, at the time it is resolved to implement the Capital Increase, the Board of Directors will determine the number of shares to be issued and, therefore, the amount of the Capital Increase and free allocation rights required to allocate one new share, by applying the following formula (rounding down the result to the nearest whole number):

$$\text{NNS} = \text{NES} / \text{No. rights}$$

where,

“NNS” = the number of new shares to be issued;

¹ This figure is subject to rounding, where appropriate, in accordance with the formulae set out in paragraph 2.1 of this report.

² This figure is subject to rounding in accordance with the formulae set out in paragraph 2.1 below.

“NES” = the number of Almirall shares outstanding on the date on which the Board of Directors resolves to implement the Capital Increase; and

“No. rights” = the number of free allocation rights required for the allotment of one new share, which will be the result of applying the following formula, rounded up to the nearest whole number:

$$\text{No. of rights} = \text{NES} / \text{Provisional no. of shares}$$

where,

$$\text{Provisional no. of shares} = \text{Alternative Option Amount} / \text{PreCot}$$

For these purposes, PreCot will be the arithmetic mean of the weighted average prices of Almirall's shares on the Spanish Stock Exchanges in the 5 trading sessions prior to the resolution of the Board of Directors to carry out the capital increase, rounded to the nearest thousandth of a euro and, in the case of half a thousandth of a euro, up to the nearest thousandth of a euro (this amount is being referred to as the Stock Price in this report).

Example of calculation of the number of new shares to be issued, the amount of the Capital Increase and the number of free allocation rights required for the allotment of one new share:

For illustration purposes only, an example of the calculation of the formula included in this section is set out below. The results of these calculations are not representative of those that may actually occur on the occasion of the implementation of the Capital Increase, which will depend on the different variables used in the formula (essentially, the Stock Price of the Almirall share at that time).

For the sole purpose of this example:

- The Alternative Option Amount is EUR 39,784,807.56.
- A PreCot of EUR 8 is assumed.
- The NES is 209,393,724 (i.e., the number of Almirall shares at the date of this report).

Therefore:

$$\text{Provisional no. of shares} = \text{Alternative Option Amount} / \text{PreCot} = 39,784,807.56 / 8 = 4,973,101.$$

$$\text{No. of rights} = \text{NES} / \text{Provisional no. of shares} = 209,393,724 / 4,973,101 = 43 \text{ (rounded up)}$$

$$\text{NNS} = \text{NES} / \text{No. of rights} = 209,393,724 / 43 = 4,869,621 \text{ (rounded down)}$$

Consequently, in this example, (i) the number of new shares to be issued in the Capital Increase would be 4,869,621, (ii) the amount of the Capital Increase would be EUR 584,354.52 (4,869,621 x 0.12), and (iii) 43 free allocation rights (or old shares) would be required for the allocation of one new share.

2.2 FREE ALLOCATION RIGHTS

In the Capital Increase, each outstanding Almirall share will grant its holder one free allotment right.

The number of free allocation rights required to receive one new share will be determined automatically according to the ratio between the number of new shares in the Capital Increase and the number of outstanding shares, calculated in accordance with the formula set out in section 2.1 above.

If the number of free allocation rights required for the allotment of one share (43 in the above example) multiplied by the number of new shares (584,354.52) (in the same example), namely 209,373,703, should result in a figure that is lower than the number of outstanding shares (209,373,724), Almirall, or any of its reference shareholders if it so wishes, will waive a number of free allocation rights equal to the difference between the two figures (i.e. 21 rights in the above example) for the sole purpose of making the number of new shares a whole number rather than a fraction.

The free allocation rights will be allotted to Almirall shareholders registered as such with *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear)* on the relevant date in accordance with the applicable securities clearing and settlement rules. Such rights may be traded during the period determined by the Board of Directors, with a minimum of fourteen calendar days.

2.3 COMMITMENT TO PURCHASE THE FREE ALLOCATION RIGHTS

As explained above, upon the implementation of the Capital Increase, Almirall will assume an irrevocable commitment to purchase the free allocation rights under the Capital Increase (the “**Purchase Commitment**”), such that Almirall shareholders will be guaranteed the possibility to sell such rights to Almirall, receiving, at their option, all or part of the Alternative Option in cash. This Purchase Commitment will not extend to any allocation rights purchased or otherwise acquired in the market. The Purchase Commitment will remain in force and may be accepted for such period within the free allocation rights trading period as may be resolved by the Board. The purchase price under the Purchase Commitment will be fixed and will be calculated before the opening of the free allocation rights trading period in accordance with the following formula, rounded to the nearest thousandth of a euro and, in the case of half a thousandth of a euro, up to the nearest thousandth of a euro (the “**Purchase Price**”):

$$\text{Purchase Price} = \text{PreCot} / (\text{No. of rights} + 1)$$

where,

“PreCot” and “No. of rights” have the meaning set out in paragraph 2.1 above.

The final Purchase Price so calculated will be determined and published at the time of the implementation of the Capital Increase. However, this purchase price may be calculated provisionally by dividing the Alternative Option Amount (i.e. EUR 39,784,807.56) by the number of shares currently outstanding (209,393,724). Thus, assuming that the number of shares outstanding on the date on which the Capital Increase becomes effective is the same

as indicated and without taking into account possible rounding effects, the Purchase Price would be, as indicated above, and for purely indicative purposes, EUR 0.19 gross per right.

It is expected that Almirall will waive the new shares corresponding to the free allocation rights acquired by Almirall under the Purchase Commitment. In this case, the Capital Increase will not be fully allotted and the share capital will be increased only by the amount corresponding to the free allotment rights that have not been waived.

2.4 RIGHTS ATTACHING TO THE NEW SHARES

The new shares to be issued under the Capital Increase will be ordinary shares of EUR 0.12 par value each, of the same class and series as the shares currently outstanding. The new shares will be represented by book entries recorded by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear)* and its participating entities. The new shares will carry the same voting and dividend rights as the ordinary shares currently in issue from the date the Capital Increase is declared subscribed and paid up. The new shares will be fully paid up and issued free of charge.

2.5 BALANCE SHEET AND RESERVE AGAINST WHICH THE CAPITAL INCREASE IS MADE

The balance sheet on which the Capital Increase is based is the audited balance sheet as of 31 December 2023, as submitted for approval at the Annual General Meeting of shareholders.

The Capital Increase will be fully funded from the unrestricted reserves known as “Voluntary reserves” from undistributed profits, which as of 31 December 2023 amounted to EUR 931,020,128.11.

2.6 TAX REGIME

The following is a brief description of the tax regime applicable in Spain as of the date of this report to the various options described below. This description must not be taken as tax advice and does not address all tax considerations that may be relevant to shareholders or holders of free allocation rights in light of their particular circumstances. Shareholders and holders of free allotment rights are strongly advised to seek the advice of professional advisers as to the tax treatment applicable to them before making any decision in connection with the Capital Increase. Shareholders and holders of free allocation rights who are not resident in Spain should also discuss with their tax advisers the impact of the various options relating to the implementation of the Capital Increase.

Accordingly, for tax purposes, the following options should be distinguished, depending on the choice made by each shareholder or holder of free allocation rights:

(A) Delivery of new fully paid-up shares

Delivery of shares issued under the Capital Increase to shareholders subject to personal income tax (“**IRPF**”) and non-resident income tax (“**IRNR**”) not acting through a permanent establishment in Spain qualifies as a delivery of bonus shares and, therefore, will not generate any income in their taxable income for purposes of their IRPF (in Spain’s common territory) nor of the IRNR, nor will any withholding or payment on account be applied.

However, the acquisition value for these shareholders, both of the new shares received as a result of the Capital Increase and of the shares from which such new shares derive, will be the result of dividing the total acquisition cost by the number of relevant shares (both old and bonus shares). The seniority of such bonus shares shall be that which corresponds to the last preexisting share required to obtain such bonus shares. In the event of a subsequent transfer, taxable income derived from such transfer shall be calculated by reference to this new acquisition value.

Shareholders subject to corporate income tax (“IS”) and IRNR acting through a permanent establishment in Spain, to the extent that such establishment completes a full business cycle, will be taxed in accordance with applicable regulations, taking into account the provisions of the Resolution of 5 March 2019 of the Spanish Accounting and Audit Institute, which develops the criteria for the presentation of financial instruments and other accounting aspects related to the commercial regulation of capital companies (the “ICAC Resolution”). This is without prejudice to the rules for determining the tax base for such taxes that, where appropriate, may apply; in particular, the possibility of applying the exemption under section 21 of Spanish Act 27/2014, of 27 November, on Corporate Income Tax (“LIS”), subject to compliance with the requirements set forth therein, or in cases in which the reserve used for the issue of bonus shares under the Capital Increase was the share premium reserve, the rule established in section 17.6 of the LIS.

In any event, the Company will not be required to make any withholding or advance payment on the delivery of bonus shares or free allocation rights, in accordance with the administrative criteria laid down by the Spanish Directorate General of Taxes (the “DGT”).

(B) Sale of the free allocation rights on the market

In the event that shareholders sell their free allocation rights on the market, the amount received on the transfer of such rights on the market will be subject to the following tax regime:

For individual shareholders subject to IRPF in the Spanish “common territory” or to IRNR for non-residents not acting through a permanent establishment in Spain, the amount received from the transfer on the market of the free allocation rights will be treated as a capital gain for the transferor, all without prejudice to the potential application to IRNR taxpayers not acting through a permanent establishment in Spain of the convention on the avoidance of double taxation and the prevention of tax evasion in the field of income taxes signed by Spain and the exemptions available under the IRNR regulations.

In addition, for individual shareholders subject to IRPF in the common territory of Spain, this capital gain will be subject to withholding tax at the relevant rate. This tax shall be withheld by the relevant depository or, failing that, by the financial intermediary or notary public involved in the transfer.

Shareholders subject to IS or IRNR and not acting through a permanent establishment in Spain, to the extent that a complete business cycle is closed, will be taxed in accordance with applicable regulations, taking into account the provisions of the ICAC Resolution. This is without prejudice to the rules for determining the tax base for these taxes as may apply, specifically the possibility of applying for the exemption in section 21 of the LIS, subject to

compliance with the requirements set out therein, or if the reserve used for the issue of shares released in the Capital Increase was the share premium reserve, the rule established in section 17.6 of the LIS.

In any case, and in accordance with the administrative criteria advanced by the DGT, the Company is not required in this context to make a withholding or payment on account upon the sale of free allocation rights on the market.

(C) Transfer of free allocation rights to the Company under the Purchase Commitment

If the shareholder elects to accept the Purchase Commitment, the tax regime applicable to the amount received on the transfer to Almirall of any free allocation rights held as such a shareholder will be equivalent to the tax regime applicable to the income received as a result of the participation in the equity of any companies (such as dividends) and, therefore, will be subject to the relevant withholding and taxation.

(D) Other considerations concerning the tax regime

Please note that this analysis does not constitute tax advice and does not consider all the possible tax consequences of the different options related to Almirall's flexible dividend scheme. In particular, it does not detail the consequences that may arise in their countries of residence for those shareholders who are not resident in Spain for tax purposes. Nor is there any analysis of the possible particularities that may apply to shareholders resident in the Historical Territories of the Basque Country or the Region of Navarre. Shareholders or holders of free allocation rights are strongly advised to consult with their tax advisors regarding the specific tax impact of the proposed remuneration system, taking into account their respective circumstances, and to pay attention to any statutory and regulatory changes and their interpretation.

Please note also the Spanish Financial Transaction Tax Act (the “FTTA” and the “FTT”, respectively) that entered into force on 16 January 2021.

The FTT is levied at a flat rate of 0.2% on acquisitions for valuable consideration of shares in Spanish companies that are admitted to trading on a Spanish market, a regulated market in the European Union or a market considered equivalent in a third country, provided that the capitalisation value of the company on 1 December of the year preceding the acquisition exceeds EUR 1,000 million. In addition, the events taxed by the FTT also include, among other transactions or agreements, the purchase of shares deriving from the acquisition of the depository receipts representing such shares (e.g. American Depositary Receipts -ADRs- or CREST Depository Interests -CDIs-).

In accordance with the provisions of the LITF, the Spanish Tax Administration Agency (“AEAT”) has published the list of Spanish companies whose shares, as of 1 December 2023, have a market capitalisation value of more than EUR 1,000 million. The Company is included in this list and therefore, in principle, the acquisition for value of its shares (or of the depository receipts representing such shares, such as ADRs or CDIs) during 2024 would fall within the scope of the FTT (without prejudice to the relevant exemptions that may apply).

The AEAT has published a paper on “Frequently Asked Questions regarding the Financial Transaction Tax” (which is regularly updated). The paper states that the acquisitions of shares in the framework of shareholder remuneration schemes known as “scrip dividends” (to the extent that the shares delivered are new shares resulting from a fully paid-up capital increase) are not subject to FTT.

However, the FTT could tax (at the flat rate of 0.2%) other transactions involving the Company's shares (or ADRs or CDIs), irrespective of the residence of the parties involved.

Shareholders and holders of free allocation rights are strongly advised to consult their tax advisors on the impact of the FTT and any other tax measures, taking into account their particular circumstances.

2.7 DELEGATION OF AUTHORITY AND IMPLEMENTATION OF THE CAPITAL INCREASE

It is proposed to delegate to the Board of Directors, with the express power to delegate to the Chief Executive Officer, the authority to determine the date on which the Capital Increase resolution to be adopted by the Annual General Meeting shall take effect, as well as to determine the terms and conditions of the Capital Increase in all matters not provided for by the General Meeting, all on the terms and within the period of one year provided for in section 297.1(a) of the Spanish Companies Act. However, if the Board of Directors does not consider it advisable to implement the capital increase within the above period, it may resolve not to do so. In such a case the Board shall inform the first subsequent Annual General Meeting of its decision. In particular, in deciding to implement the Capital Increase, the Board of Directors shall analyse and take into account, among other matters, market conditions. If this or other factors, in the opinion of the Board, make it inadvisable to implement the Capital Increase, the Board may resolve not to implement the Capital Increase and report to the General Meeting as described above. The Capital Increase shall be null and void if the Board of Directors fails to exercise the powers vested in it within the period of one year fixed by the General Meeting for the implementation of the resolution.

At the time the Board of Directors decides to exercise the Alternative Option, by making the Capital Increase effective for that purpose and establishing all its final terms and conditions - other than those established by the General Meeting-, Almirall will make those terms and conditions public. In particular, before the start of the free allotment period, Almirall shall make available a document containing information on the number and nature of the shares and the reasons for the Capital Increase, all in accordance with the provisions of Article 1.5(g) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

Once the trading period for the free allocation rights of the Capital Increase has ended:

- (A)** The new shares will be allotted to the holders of free allocation rights in the required proportion.

- (B)** The Board of Directors will declare the trading period for the free allocation rights closed and will formalise for accounting purposes the application of voluntary reserves in the amount of the Capital Increase, which will be paid up through such application.

Finally, the Board of Directors shall pass the relevant resolutions to amend the Articles of Association to reflect the new capital figure resulting from the Capital Increase and to apply for the admission of the new shares to trading.

2.8 ADMISSION TO TRADING OF THE NEW SHARES

Almirall will apply for admission to trading of the new shares issued as a result of the Capital Increase on the Madrid, Bilbao, Valencia and Barcelona Stock Exchanges, through the Stock Exchange Automated Quotation System (Continuous Market).

The members of the Board of Directors have issued this report on 8 April 2024 for the purposes set forth in the Spanish Companies Act and for all other appropriate legal purposes.