

# Profoto Holding AB (publ)

## Statement by the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act

The Board of Directors of Profoto Holding AB (publ) has proposed that the Annual General Meeting 2023 (“AGM”) resolves on distribution of profits in the form of a dividend of SEK 4.00 per share to the shareholders. Accordingly, the dividend distribution amounts to a total of SEK 160,000,000. The Board of Directors has proposed May 9, 2023 as record date. If the AGM resolves in accordance with the proposal, the payment by Euroclear Sweden AB is expected to start on May 12, 2023.

With reference to the Board of Directors’ proposed distribution of profits, the Board of Directors hereby submits the following statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act.

The share premium reserve amounts to SEK 0, profit brought forward amounts to SEK 55,916,917 and the earnings for the 2022 fiscal year amounts to SEK 153,599,368. Provided that the AGM 2023 resolves on distribution of profits in accordance with the Board of Directors’ proposal, SEK 49,516,285 will be carried forward. The Company’s restricted equity will be fully covered following the proposed dividend distribution.

Following the proposed dividend distribution, the Board of Directors’ assessment is that the Company’s and the group’s equity will be adequate given the scope and nature of the operations and the risks. The Board of Directors has hereby taken into consideration, *inter alia*, the Company’s and the group’s development, budgeted development and economic conditions.

The Board of Directors has conducted an assessment of the Company’s and the group’s positions as well as their ability to meet their undertakings on both a short- and long-term basis. The proposed dividend in total constitutes 76.2 % of the Company’s equity and 40.9 % of the group’s equity.

The equity of the Parent Company has neither increased nor decreased as a result of valuation of assets or liabilities pursuant to Chapter 4, Section 14 a of the Swedish Annual Accounts Act.

Following the distribution of the dividend, the Company’s and the group’s equity ratio will amount to 22.8 % and 36.0 %, respectively. Accordingly, the Company and the group have healthy equity ratios in relation to the industry. The Board of Directors considers that the Company and the group are in a position to meet future business risks and to withstand possible losses. The dividend distribution will have no negative effect on the Company’s or the group’s ability to make further investments, as planned by the Board of Directors.

The dividend distribution will have no negative effect on the Company’s and the group’s ability to meet existing payment undertakings. The Company and the group have good access to short- as well as long-term credit facilities, which can be utilized at short notice. Therefore, the assessment of the Board of Directors is that the Company and the group are well prepared to manage changes in liquidity as well as unforeseen events.

In addition to the above, the Board of Directors has taken into account other known circumstances that could be material in relation to the financial position of the Company and the group. No circumstances have come to light that would suggest that the proposed dividend is not justifiable.

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Sundbyberg in February 2023  
**Profoto Holding AB**  
The Board of Directors