

**The Board's proposal to the Annual General Meeting of Vitrolife AB (publ) to be held on April 28, 2021 concerning the allocation of the Company's profit and a reasoned statement in this regard (agenda item 9 b)**

(SEK)

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The Board and CEO of Vitrolife AB (publ) propose that the earnings at the disposal of the Annual General Meeting **759,627,480**

be appropriated as follows:

A dividend of SEK 0.80 per share  
be paid to the shareholders 86,840,460

To be carried forward 672,787,020

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**Total** **759,627,480**

It is proposed that the record day for entitlement to cash payment of dividend be Friday April 30, 2021, which means that the last day for trading of shares including dividend is Wednesday April 28, 2021. It is expected that dividend will reach shareholders by Wednesday May 5, 2021.

At the time when the Board submitted its proposal, the total number of shares in the Company amounted to 108,550,575, all shares being of the same class, and the Company owned none of its own shares. The total proposed dividend of SEK 86,840,460 may be changed if the Company repurchases Company shares before the record day for dividend.

The Board proposes a dividend of SEK 0.80 per share and Friday April 30, 2021 as the record day, which means that the last day for trading of shares including dividend is Wednesday April 28, 2021. It is expected that dividend will reach shareholders by Wednesday May 5, 2021.

**Reasoned statement**

The Board has proposed that the 2021 Annual General Meeting adopt a resolution on the appropriation of earnings, whereby a dividend of SEK 0.80 per share is paid to shareholders. Dividend thus amounts to a total of SEK 86,840,460. The proposal is within the framework of the dividend policy adopted by the Company, whereby the Board and the CEO shall each year propose to the Annual General Meeting a dividend or some other corresponding form of distribution that on average over time corresponds to 30 percent of net earnings for the year after payment of tax. The Company's net debt shall not normally exceed 3 times EBITDA.

The Board finds that there is full coverage for the Company's restricted equity after the proposed dividend.

The Board also finds that the proposed dividend to the shareholders is justifiable taking into account the factors stated in chapter 17 section 3, paragraphs two and three of the Swedish Companies Act (nature, scope and risks of the business and need for consolidation, as well as liquidity and general financial position). The Board thus wishes to state the following:

***Nature, scope and risks of the business***

In the assessment of the Board, the Company's and the Group's equity will be sufficiently large after the proposed dividend in relation to the nature, scope and risks of the business. In this connection, the Board has taken into consideration the Company's and the Group's historical development and forecasted development as well as the broader financial situation and Covid-19.

***Need for consolidation***

The Board has made an all-round assessment of the Company's and the Group's position and the Company's and the Group's ability to meet its commitments in the short and long term. The proposed dividend equals 9.1 percent of the Company's equity and 4.3 percent of the Group's equity.

After payment of dividend, the Company's and the Group's equity/assets ratio is 85.9 percent and 87.0 percent, respectively. The Company's and the Group's equity/assets ratio is therefore good in relation to that otherwise found in the field in which the Group operates. The Board considers that the Company and the Group will be able to take future business risks and also withstand any losses. The dividend will not have a negative impact on the Company's and the Group's ability to make further business investments in accordance with the Board's plans.

***Liquidity***

The liquidity of the company and the Group is good and is assessed to be maintained at a satisfactory level in the time ahead. In the opinion of the Board, the proposed dividend will not impact the Company's or the Group's ability to meet its payment obligations in the short or long term.

## **General position**

In addition to what is stated above, the Board has considered other known circumstances that may be of significance for the Company's and the Group's financial position. Nothing has come to light that makes the proposed dividend appear unjustifiable.

March, 2021  
Gothenburg

Vitrolife AB (publ)

Jón Sigurdsson  
*Chairman of the Board*

Henrik Blomquist  
*Member of the Board*

Lars Holmqvist  
*Member of the Board*

Pia Marions  
*Member of the Board*

Karen Lykke Sørensen  
*Member of the Board*

Thomas Axelsson  
*CEO*