



## **THE MOTIVATED STATEMENT OF THE BOARD OF DIRECTORS PURSUANT TO CHAPTER 18, SECTION 4 OF THE SWEDISH COMPANIES ACT FOR THE 2023 ANNUAL GENERAL MEETING OF CTT SYSTEMS AB (PUBL)**

---

With reference to the board of directors of CTT Systems AB (publ)'s proposal regarding a dividend for the financial year 2022, the board of directors hereby submits the following motivated statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act (2005:551).

### **Proposed dividend**

As set out in the proposal regarding disposition of the company's earnings, the board of directors proposes a dividend as follows.

The board of directors proposes a dividend of SEK 4.05 per share. As record day for dividend, Monday 8 May 2023 is proposed. If the Annual General Meeting resolves in accordance with the proposal, the dividend is estimated to be distributed by Euroclear Sweden AB on Thursday 11 May 2023.

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

The nature and scope of the business are specified in the articles of association and in the submitted annual reports. The business conducted by the company does not entail any risks other than those that arise, or can be anticipated to arise, within the industry concerned, or those risks that are generally associated with operating a business. The current uncertain global situation has been taken into account in the assessment of the company's risks, financial position and prospects going forward. In addition to this, no events have occurred that adversely affect the company's ability to return value to shareholders. The company's dependence on economic fluctuations does not differ from the rest of the industry.

### **The financial position of the company**

The financial position of the company as of 31 December 2022 is described in the latest submitted annual report. The annual report also specifies which accounting principles that have been applied in the valuation of assets, provisions and liabilities.

The company's nonrestricted equity amounted to SEK 177,487,421 as of 31 December 2022.

The proposed dividend of SEK 4.05 per share constitutes an amount of not more than SEK 50,744,244.15. The proposed dividend constitutes 29 percent of the company's nonrestricted equity. The company's solvency amounted to 71 percent prior to the proposed dividend and 67 percent after the dividend has been taken into consideration. The company's liquidity reserve, including available credit lines, amounted to SEK 111,028,134 as of the same date and the debt-equity ratio was 0.2 times.

The company's dividend policy is that the company shall distribute at least 70 percent of the distributable cash flow to the shareholders in the form of dividend, given a solvency amounting to 40 percent. The proposed dividend corresponds to 77 percent of the company's net income.

The company's financial position is solid. The proposed transfer of value (dividend) does not jeopardise the possibility of making any necessary investments.

The value transfer does not affect the company's ability to meet its existing and anticipated payment obligations in a timely manner. The company's liquidity forecasts include preparations to manage variations in the continuous payment obligations. The financial position of the company does not give rise to any assessment other than that the company can continue its business and that the company may be expected to meet its obligations in the short term as well as the long term.

The board of directors is of the opinion that the size of the equity as reported in the latest annual report is in reasonable proportion to the scope of the company's business and the risks that are associated with carrying on the business, taking the proposed value transfer into account.

#### **The justification of the proposal on dividend**

With reference to the above and other information that has been brought to the board of director's attention, it is the board of director's assessment that the proposed dividend is justified with reference to the requirements that the nature, scope and risks of the business place on the company's equity as well as the company's funding requirements, liquidity and position in general.

---

Nyköping in March 2023  
CTT SYSTEMS AB (PUBL)  
The Board of Directors