

BioGaia AB (publ)

Corporate identification number 556380-8723

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors' proposed appropriation of profits and proposed conditions for distribution of profits, and the motivated statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act (2005:551).

The Board of Directors proposes that the upcoming Annual General Meeting on 6 May 2022 resolves that the profit according to the adopted balance sheet be appropriated so that a dividend according to policy of SEK 3.63 per share plus an extra dividend of SEK 11.29 per share resulting in a total dividend of SEK 14.92 per share corresponding to SEK 301.3 million. The extra dividend corresponds to an extra dividend of SEK 3.63 per share for 2021 and the cancelled extra dividend due to the covid-19 situation at the time of SEK 4.25 per share for 2019 and SEK 3.41 per share for 2020. The Board further proposes a provision to the Foundation to Prevent Antibiotic Resistance of SEK 2.9 million. The Board resolves that the remaining available profits of SEK 1 390 320 267 be carried forward to new account.

The Board proposes that the following conditions apply for the distribution of profits:

- SEK 14.92 shall be distributed per share;
- That the record date be 10 May 2022, and
- That the date of payment be 13 May 2022.

The Board makes the following statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act (2005:551).

The results and financial position of the company and the Group are good, as evidenced by the latest income statement and balance sheet. The Board of Directors' assessment is that the proposed dividend is covered by the company's shareholders' equity. The cash flows of the company and the Group are strong. The equity/assets ratio and liquidity will be satisfactory even after the proposed dividend, and the company and the Group are assumed to be able to meet their obligations in the short and long term.

The Board thus deems the proposed dividend to be justified with consideration to;

- The requirements placed by the nature, scope and risks of the business (of the company and the Group) on the size of shareholders' equity, and
- The consolidation and investment needs, liquidity and overall position of the company and the Group
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Stockholm 13 April 2022

Peter Rothschild
Chairman

David Dangoor
Deputy chairman

Ewa Björling
Board member

Peter Elving
Board member

Vanessa Rothschild
Board member

Anthon Jahreskog
Board member

Niclas Ringby
Board member

Maryam Ghahremani
Board member

Christian Bubenheim
Board member

This is a translation of the Swedish version of The Board of Directors' proposed appropriation of profits and proposed conditions for distribution of profits, and the motivated statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act (2005:551). In the event of differences, the Swedish wording shall prevail.