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## **Board's statement regarding proposed appropriation of profits**

The Board of Holmen AB has proposed that the 2023 Annual General Meeting resolves in favour of paying a dividend of SEK 8 per share as well as an extra dividend of SEK 8.00 per share, a total of SEK 2,592 million. Last year, a dividend of SEK 7.50 per share was paid as well as an extra dividend of SEK 4.00 per share, a total of 1 862 million. The proposal complies with the Board's policy, in that decisions on share dividends shall be based on appraisal of the Group's profitability situation, future investment plans and financial position.

The Board has established that the Group should have a strong financial position with a net financial debt not exceeding 25 per cent of equity. At 31 December 2022 it amounted to 4 per cent. The proposed dividend would increase net debt to equity by 5 percentage points.

Holmen AB's equity at 31 December 2022 amounted to SEK 17 448 million, of which non-restricted equity was SEK 11 533 million. Assets and liabilities measured at fair value according to Chapter 4 Section 14a of the Swedish Annual Accounts Act had an impact of SEK 4 063 million on equity. The Group's equity at 31 December 2022 amounted to SEK 56 950 million. In accordance with IFRS, no distinction is made at Group level between restricted and non-restricted equity.

The Board considers that payment of a dividend of the amount proposed is justifiable in view of the demands made on the company and the Group by the nature, extent and risks associated with the business in terms of the amount of equity required, and considering the need for consolidation, liquidity and financial position in other respects. The financial position will remain strong after payment of the proposed dividend and is fully adequate to enable the company to fulfil its obligations in both the short and the long term, as well as to finance such investments as may be necessary.

Stockholm, February 2023

The Board of Directors