

Statement from the Board of Directors of Rottneros AB (publ) in accordance with Chapter 18 Section 4 of the Swedish Companies Act

The proposal from the Board of Directors of Rottneros AB (publ) (the “**Company**”) on dividend corresponds to a total amount of 68 657 366 SEK, based on 152 571 925 outstanding shares as of 31 August 2021 (which excludes 821 965 shares held by the Company).

As of 31 December 2020, the non-restricted equity in the Company amounted to approximately 216 million SEK. At the Annual General Meeting on 24 June 2020 and at the Annual General Meeting on 28 April 2021, it was resolved that the funds at the general meetings’ disposal, 186 455 581 SEK in 2020 and 215 739 304 SEK in 2021, would be carried forward and thus no dividends were paid. The amount available according to Chapter 17, Section 3, Paragraph 1 of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*), amounts to approximately 216 million SEK. Following the Extraordinary General Meeting’s resolution regarding the dividend, the available amount in accordance with Chapter 17, Section 3, Paragraph 1 of the Swedish Companies Act is expected to be reduced by 68 657 366 SEK to approximately 147 million SEK.

The Board has examined the Company’s and the group’s financial position and finds that a dividend in accordance with the proposal of the Board is justifiable considering the prudence rule in Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act.

It is the opinion of the Board that the proposed dividend is justifiable having regard to the equity requirements posed by the nature and scope of and the risks associated with the Company’s operations.

After payment of the proposed dividend, the Company and the group will continue to have a satisfactory financial solidity meeting the demands of the industry in which the Company operates. After payment of the proposed dividend, the Company and the group will continue to have a satisfactory level of consolidation and liquidity position and a satisfactory general financial position.

It is the Board’s assessment that the payment of the proposed dividend will not affect the Company’s short or long-term ability to discharge its present liabilities or the Company’s ability to make any required investments.

In summary, considering the Company’s and the group’s current financial position and nature of operations the board recommends the declaration of the proposed dividend.

The board has also presented documents in accordance with Chapter 18, Section 6 of the Swedish Companies Act.

Vallvik in August 2021
Rottneros AB (publ)
The Board of Directors