

The Board of Directors' of Telefonaktiebolaget LM Ericsson statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act

Due to the Board of Directors' proposals to authorize the Board of Directors to decide on offers to acquire the Company's own shares of series C, the Board hereby makes the following statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

The scope and nature of the Company's and the Group's business and the risks associated thereto are set out in the articles of association and in the Company's financial reports.

The financial position of the Company and the Group as of December 31, 2023 is presented in the Annual Report for the financial year 2023. As of December 31, 2023, the Company's restricted equity totaled approximately SEK 48.2 billion and its non-restricted equity totaled approximately SEK 27.6 billion. Furthermore, the principles applied for valuation of assets, provisions and liabilities are presented in the Annual Report. The Company's non-restricted equity would have been approximately SEK 2.91 billion lower if assets and liabilities had not been valued at fair value pursuant to Chapter 4, Section 14a of the Swedish Annual Accounts Act.

If the Annual General Meeting 2024 resolves on a dividend of SEK 2.70 per share for the financial year 2023 as proposed by the Board of Directors (in total approximately SEK 9 billion), and assuming that the proposed authorizations for the Board of Directors to decide on offers to acquire the Company's own shares are fully exercised (at a price corresponding to the quota value of the share, approximately SEK 5 per share), the Company will have remaining non-restricted equity totaling approximately SEK 18.6 billion.

As a basis for its proposals, the Board of Directors has made an assessment of the Company's and the Group's need for financial resources as well as the Company's and the Group's liquidity, financial position in other respects and long-term ability to meet their commitments. The Group reported an equity ratio of 32.8% (38.1%) and a net cash amount of SEK 7.8 (23.3) billion as of December 31, 2023.

The Board of Directors has also considered the Company's result and financial position and the Group's position in general. In this respect, the Board of Directors has taken into account the proposed dividend and other known commitments that may have an impact on the financial positions of the Company and its subsidiaries.

The acquisition offer pursuant to the proposed authorizations does not limit the Group's ability to make investments or raise funds. Taking into account the proposed dividend, it is the Board of Directors' assessment that the acquisition offers pursuant to the proposed authorizations are justified considering the requirements that the nature, scope and risks of the business impose on the Company's and the Group's equity as well as the Company's and the Group's consolidation level, liquidity and position in general, considering coming years' business plans and economic development.

Stockholm, February 2024

Telefonaktiebolaget LM Ericsson

The Board of Directors