

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 Director's proposal to authorize the Board of Directors to decide on a directed offer to acquire the Company's own shares, the Board hereby makes the following statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

The Company's objectives, scope of business and 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, 2020 is presented in the Annual Report for the financial year 2020. Furthermore, the principles applied for valuation of assets, provisions and liabilities are presented in the Annual Report. The Company's equity would have been SEK 0.3 billion higher if assets and liabilities had not been valued at fair value pursuant to Chapter 4, Section 14a of the Swedish Annual Accounts Act.

As a basis for its proposal, the Board of Directors has made 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 Board of Directors has also considered the Company's and the Group's position in general. In this respect, the Board of Directors has taken into account known commitments that may have an impact on the financial positions of the Company and other companies in the Group.

With reference to the above, it is our assessment that the proposed authorization for the Board of Directors to decide on a directed offer to acquire the Company's own shares does not limit the Company's ability to make investments or raise funds, or position in general, and further it is our assessment that the proposal is well balanced considering the nature, scope and risks of the business activities as well as the capital requirements for the Company and the Group.

Stockholm, March 2021

Telefonaktiebolaget LM Ericsson (publ)
The Board of Directors