

## The Board of Directors' statement pursuant to Chapter 18, Section 4 of the Companies Act

### *Motivation*

In preparation for the 2020 Annual General Meeting, the Board of Directors proposes that a cash dividend be paid in the amount of SEK 6.50 per share. This corresponds to about 99 percent of the combined dividend for the period concerned, calculated in accordance with the target. Calculated as the total dividend in relation to profit after tax, it corresponds to about 20 percent. In the long term, the target is for Catena's dividends to amount to 50 percent of profit from property management, less standard tax.

The Company's restricted equity will be fully covered following distribution of the proposed dividend. The proposed dividend to shareholders is justifiable taking into account what is stated in Chapter 17, Section 3, second and third paragraphs of the Companies Act (the nature, scope and risks of the operations, as well as consolidation needs, liquidity and the position of the Company in other regards).

### *Nature, scope and risks of the operations*

The nature, scope and risks of the operations are stated in the Articles of Association, as well as in the annual reports and interim reports. The operations conducted by Catena do not entail risks beyond what occurs, or may be assumed to occur, in the sectors in which Catena operates, or the risks generally associated with business operations. Regarding significant events, reference is made to what is stated in the Board of Directors' Report. Beyond that, no events have occurred affecting the Company's ability to pay the proposed dividend or to acquire treasury shares in accordance with the proposed authorisation.

### *Consolidation needs, liquidity and position in other regards*

The financial situation of the Company and Group on 31 December 2019 is shown in the balance sheet presented in the Annual Report. The Annual Report also shows which principles have been applied for the valuation of assets, provisions and liabilities. Derivative instruments have been valued at fair value in accordance with Chapter 4, Section 14a of the Annual Accounts Act. The effect of this valuation, which had a negative impact on the Parent Company's equity of SEK 302.6 million (325.9), has been taken into account in the assessment of the Company's consolidation needs, liquidity and position in other regards.

On 31 December 2019, the Company's equity ratio was 35.6 percent. The equity ratio does not deviate from what is normal in the sectors in which Catena operates. The proposed dividend does not jeopardise the completion of necessary investments.

The Company's liquidity forecast includes its preparedness to cope with variations in current payment obligations. The proposed dividend does not affect the Company's ability to meet existing and anticipated payment obligations on time.

The Company is able to continue its operations and will be able to meet its obligations in both the short and long term.

In the view of the Board of Directors, the scale of equity as reported in the most recently published Annual Report, and taking the proposed dividend into account, is in reasonable proportion to the scale

of the operations of the Company and the Group, as well as the risks associated with conducting the operations.

Board of Directors, 19 February 2020