

Item 11

The Board of Directors' proposed resolution on disposition of profit

Proposed dividend

The Board is proposing a cash dividend for the 2019 financial year of SEK 12.00 (11.50) per share. The Board proposes Thursday, 23 April 2020 as the record date to receive a dividend. Provided that the Annual General Meeting votes in favour of the resolution, dividends are expected to be paid out via Euroclear Sweden AB on Tuesday, 28 April 2020.

The following funds are at the disposal of the general meeting (SEK):

Share premium reserve	4,915,938,770
Retained earnings	18,352,544,647
Profit for the year	9,043,533,676
Total	32,312,017,093

The Board of Directors proposes that the earnings be distributed as follows (SEK):

To the shareholders, a dividend of	2,413,761,540
To the share premium reserve	4,915,938,770
Carried forward	24,982,316,783
Total	32,312,017,093

Statement concerning the proposed dividend

This statement has been drawn up pursuant to Chapter 18 Section 4 of the Swedish Companies Act (2005:551) and represents the Board's assessment as to whether the proposed dividend is justifiable in view of what is stated in Chapter 17 Section 3 second and third paragraphs of the Swedish Companies Act.

The Board of Directors of ICA Gruppen AB proposes an ordinary dividend of SEK 12.00 per share. The total dividend amounts to SEK 2,414 million (2,313), which is 26.7% (62.7) of the parent company's profit for the financial year. The proposed dividend will reduce the parent company's equity/assets ratio from 71.4% to 66.6%, and the Group's equity/assets ratio from 34.2% to 31.8%. The equity/assets ratio is adequate for both the long and short term. The dividend amount corresponds to 70.0% of the Group's profit for the year. The company's

equity would have been SEK 14 million – or approximately 0.0% – lower had assets and liabilities not been measured at fair value in accordance with Chapter 4 Section 14 a of the Annual Accounts Act.

The dividend proposal is in line with the goal of paying a good and stable dividend over time. ICA Gruppen's dividend target over time is to pay a dividend to shareholders of at least 50% of profit for the year. In the Board's opinion, the proposed dividend is justifiable taking into account the requirements that the nature and scope of the business, as well as the risks associated with it, place on the Group's equity and financial position.

In view of the aforementioned and taking it into account, the Board believes that the proposed dividend is justifiable in terms of the requirements set out in Chapter 17 Section 3 second and third paragraphs of the Swedish Companies Act, which state that the dividend must be justifiable considering the requirements that the nature and scope of the business, as well as the risks associated with it, place on the level of equity and on the company's and the Group's consolidation requirements, liquidity and position in general.

Stockholm, 9 March 2020

The Board of Directors of ICA Gruppen AB