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Proposal by the Board of Directors of Sandvik AB for a distribution of all shares in Sandvik Materials Technology Holding AB (to be renamed Alleima AB)

On October 18, 2021, the Board of Directors of Sandvik AB ("Sandvik") publicly announced its intention to distribute the business area Sandvik Materials Technology during the second or third quarter 2022 to Sandvik's shareholders and to list the shares on Nasdaq Stockholm.

The Board of Directors proposes that the Annual General Meeting resolves that all shares in the wholly-owned subsidiary Sandvik Materials Technology Holding AB, reg. no. 559224-1433 (to be renamed Alleima AB) ("Alleima"), including the underlying group, be distributed, whereby five (5) shares in Sandvik entitle to one (1) share in Alleima. If a shareholder's shareholding in Sandvik is not evenly divisible by five (5), the fractions of shares which the shareholder's shareholding in Sandvik otherwise would entitle to will be combined with all other shareholders' fractions of shares into whole shares in Alleima, which will be sold on Nasdaq Stockholm through Skandinaviska Enskilda Banken AB (publ). The proceeds from such sale, free of any commissions, will then be paid to such shareholders through the Euroclear system on a pro rata basis.

The Board of Directors further proposes that the Annual General Meeting authorizes the Board of Directors to determine the record date for the right to receive shares in Alleima. The record date is expected to take place on August 29, 2022, and the distribution of and first day of trading in the Alleima share on Nasdaq Stockholm is expected to occur on August 31, 2022.

The distribution of the shares in Alleima is expected to be made in accordance with the so-called Lex Asea rules.

An information brochure containing additional information regarding the distribution and Alleima's business is available on Sandvik's website home.sandvik.

Stockholm, March 2022

Sandvik Aktiebolag (publ)
The Board of Directors