

ASX Release

22 April 2021

Update to Scheme – Outcome of First Court Hearing

Asaleo Care Limited (“Asaleo” or the “Company”) is pleased to provide the following update on the status of the proposed scheme under which Essity Holding Company Australia Pty Ltd (ACN 649 075 310), a wholly owned subsidiary of Essity Group Holding BV (“Essity”), will acquire all of the ordinary shares in Asaleo (“Scheme”).

A copy of the Scheme Implementation Agreement was announced to the market on 17 February 2021 (as amended on 31 March 2021) (“Scheme Implementation Agreement”).

Scheme Meeting

The Federal Court of Australia (“Court”) has ordered that Asaleo convene a meeting of its shareholders to consider, and if thought fit, approve the Scheme (“Scheme Meeting”). The Scheme Meeting will be held at **3.00pm (Melbourne time) on Tuesday, 1 June 2021**.

Due to the coronavirus (COVID-19) pandemic, and consistent with the orders of the Court regarding electronic shareholder meetings, the Scheme Meeting will be held virtually. There will be no physical Scheme Meeting.

Scheme Booklet

The Court also approved the distribution to Asaleo shareholders of an explanatory statement providing information about the Scheme and including the Independent Expert’s Report and the notice of the Scheme Meeting (together, the “Scheme Booklet”).

A further announcement attaching the Scheme Booklet will be released to the ASX and the Scheme Booklet will subsequently be made available to Asaleo shareholders following registration of the Scheme Booklet with the Australian Securities and Investments Commission.

Recommendation

The Independent Board Committee and the CEO and Managing Director continue to unanimously recommend that Asaleo shareholders vote in favour of the Scheme in the absence of a Superior Proposal¹ and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of Asaleo shareholders.

Subject to those same qualifications, all of the directors of Asaleo who hold Asaleo shares intend to vote in favour of the Scheme. However, Essity, its related bodies corporate and the Essity nominee

¹ Superior Proposal has the same meaning as given in the Scheme Implementation Agreement.

directors will abstain from voting on the Scheme at the Scheme Meeting.

Further Information

For further information, please contact the Shareholder Information Line on 1300 494 861 (within Australia) and +61 1300 494 861 (outside Australia) which is open between Monday and Friday from 8.30am to 5.30pm (Melbourne time), or visit http://www.asaleocare.com/globalassets/news/asaleo-care/scheme_faq.pdf.

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About Asaleo Care

Asaleo Care is a leading personal care and hygiene company which markets, manufactures, distributes, and sells personal care and hygiene products throughout Australia, New Zealand, and the Pacific Islands. Its portfolio of market-leading brands includes Libra, TENA, Tork, Viti and Orchid. The Purex, Sorbent and Handee brands are owned in New Zealand and the Pacific Islands only. The Company has 14 manufacturing and distribution facilities and employs around 650 people who work together to offer products and services which provide care, comfort, and confidence every day. For more information visit www.asaleocare.com.

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This release has been approved by the Asaleo Independent Board Committee.