

ITAB Shop Concept AB

Statement by the Board of Directors in accordance with Chapter 19, Section 22 of the Swedish Companies Act (2005:551)

Background

The Board of Directors hereby issues the following statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act. The Board of Directors' motivation that the proposed authorisation for the Board to repurchase own shares is compatible with the provisions in Chapter 17, Section 3, second and third paragraphs.

Assets and liabilities have been valued at fair value in accordance with Chapter 4, Section 14 a of the Annual Accounts Act (1995: 1554). If the valuation had not been done at fair value, equity would have been SEK 5 million higher.

The nature, scope and risks of the business

The nature and scope of the business are stated in the Articles of Association and the specified Annual Reports. The operations conducted by the company and the Group do not entail risks other than those that arise or can be expected to arise in the industry or other risks that are generally associated with conducting business activities. Regarding significant events, reference is made to what is stated in the Administration Report. The company's and the Group's dependence on economic trends does not deviate from what otherwise occurs in the industry.

The company's and the Group's financial position

The company's and the Group's financial position as of 31 December 2021 is stated in the most recently issued Annual Report. It is also evident from the Annual Report which policies have been applied for the valuation of assets, provisions and liabilities.

In accordance with the proposed appropriation of profits that the Board of Directors proposes that no dividend be paid. The Board of Directors has proposed that the Board be authorised to decide on the acquisitions of a maximum of one tenth of the number of shares issued in the company.

The Annual Report specifies, among other things, that the company's equity / assets ratio amounts to 69 percent and the Group's equity / assets ratio to 46 percent. Full utilisation of the proposed authorisation does not jeopardise the investments deemed necessary for the business.

Full utilisation of the proposed authorisation does not affect the company's and the Group's ability to meet current and anticipated payment obligations in a timely manner. The company and the Group's liquidity forecast include readiness to handle variations in the current payment obligations.

The company's and the Group's financial position does not give rise to any other assessment than that the company can continue its operations and that the company and the Group can be expected to fulfil their obligations in the short and long term.

The Board of Directors' assessment is that the size of the equity is in reasonable proportion to the scope of the company's and the Group's operations and the risks associated with the operation of the business, taking into consideration the proposed dividend and full utilisation of the proposed authorisation.

Conclusion

With reference to the above and what has otherwise come to the Board of Directors' attention, the Board's assessment is that the authorisation is justifiable in accordance with Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act.

Jönköping, March 2022

Board of Directors