

## **ITAB Shop Concept AB**

### **Statement by the Board of Directors in accordance with Chapter 19, Section 22 of the Swedish Companies Act**

#### **Background**

The Board of Directors hereby issues the following statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act, meaning 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 of the Swedish Companies Act.

#### **The nature, scope and risks of the business**

The nature and scope of the business are stated in the Articles of Association and the issued 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, refer 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 2023 is presented in the most recently issued Annual Report. The Annual Report also states which policies have been applied for the measurement of assets, provisions and liabilities. Assets and liabilities have been measured at fair value in accordance with Chapter 4, Section 14 a of the Swedish Annual Accounts Act (1995:1554). If the measurement had not been done at fair value, equity would have been MSEK 12 lower.

In accordance with the proposed appropriation of profits, the Board of Directors proposes that a dividend of SEK 0.75 per ordinary share be paid for the 2023 financial year, corresponding to a total of MSEK 163. The Board of Directors has also proposed that the Board be authorised to decide on the acquisition 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 62 percent and the Group's equity/assets ratio to 56 percent. Full utilisation of the proposed authorisation would not jeopardise the investments deemed necessary for the business.

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

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 to repurchase own shares.

#### **Conclusion**

The Board of Directors' assessment is that the proposed authorisation of the Board to repurchase own shares is justifiable in relation to the requirements that the type of operations, size and risks place on the Company's and the Group's equity, and the Company's and the Group's consolidation requirements, liquidity, and position in general. The Board's assessment is also that repurchases in accordance with the proposed authorisation would not prevent the Parent Company or the other Group companies from fulfilling their obligations in the short or long term or from completing the necessary investments.

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, February 2024

Board of Directors

This is in all respects a translation of the Swedish original. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.