

## **The Board of Directors' proposal regarding authorization of the Board of Directors to resolve on acquisitions and transfers of own shares**

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The Board of Directors of Byggmax Group AB (publ), corp. reg. no. 556656-3531 (the "**Company**") proposes it be authorized to, on one or several occasions during the period until the next Annual General Meeting, resolve on acquisitions of own shares as follows:

1. Acquisition may take place provided that the Company's holding does not at any time exceed five per cent of all shares in the Company.
2. Acquisition may take place on Nasdaq Stockholm.
3. Acquisitions on Nasdaq Stockholm may only occur at a price per share within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price.
4. Payment for the shares shall be made in cash.

The Board further proposes it be authorized to, on one or several occasions during the period until the next Annual General Meeting, resolve on transfer of the Company's own shares as follows:

1. All treasury shares held by the Company at any given time may be transferred.
2. Transfer of own shares shall be made either on Nasdaq Stockholm or in another manner with deviation from shareholders' preferential rights.
3. Transfer of shares on Nasdaq Stockholm may only occur at a price per share within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price. Transfer of own shares in another manner shall be conducted under market conditions, subject to issue discounts in line with market practice.
4. Payment for transferred shares may, apart from payment in cash, be made in kind or by set-off.

The purpose of the authorization to acquire and transfer own shares is to provide the Board of Directors with greater freedom of action in relation to the Company's capital structure, and to make it possible for the Company to finance acquisitions with own shares. The possibility to deviate from the shareholders' preferential rights when transferring own shares is motivated by the fact that a transfer of shares on Nasdaq Stockholm, or otherwise with the deviation from the shareholders' preferential rights, can be done more rapidly and more cost efficient than by a transfer to the shareholders. If, in connection with an acquisition, the Company's own shares are transferred against compensation in any other form than cash, the Company cannot provide the shareholders the opportunity to exercise their preferential rights.

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A resolution in accordance with this proposal is valid only where supported by shareholders holding not less than two thirds of both the votes cast and the shares represented at the General Meeting.

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The Board of Directors' motivated statement according to Chapter 19, Section 22 of the Swedish Companies Act (2005:551) is attached to the motion.

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Stockholm, March 2022  
**Byggmax Group AB (publ)**  
*The Board of Directors*

## Appendix 1

### **The Board of Directors' motivated statement concerning its proposal regarding authorization of the Board of Directors to resolve on acquisitions of own shares**

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The Board of Directors of Byggmax Group AB (publ), corp. reg. no. 556656-3531 (the "**Company**") proposes it be authorized to, on one or several occasions during the period until the 2023 Annual General Meeting, resolve on acquisitions and transfers of the Company's own shares. The main objective of the authorization is to give the Board a tool to adapt the capital structure of the Company to its capital needs from time to time and thereby contribute to an increased shareholder value.

Acquisitions may take place on Nasdaq Stockholm and provided that the Company's holding does not at any time exceed five percent of all shares in the Company. Additional conditions for the acquisition and transfer of own shares are set out in the proposal, which can be found in the notification to the 2022 Annual General Meeting.

In accordance with Chapter 19, Section 22 of the Swedish Companies Act (2005:551), the Board hereby gives the following statement regarding its proposal.

#### **The nature, scope and risks associated with the operations**

The nature and scope of the operations of the Company are described in the Articles of Association and the Annual Report for the fiscal year 2021. The business conducted by the Company and other Group Companies does not entail risks other than such risks which are associated with business operations of the same nature in general or which exists or can be assumed to exist in the industry. The Annual Report includes information on the principles used in the valuation of the Company's assets, provisions and liabilities. No portion of the shareholders' equity is due to the application of a valuation where assets or liabilities have been valued at actual value pursuant to Chapter 4, Section 14 a of the Swedish Annual Reports Act (1995:1554).

#### **Consolidation needs, liquidity and financial position in general**

As of December 31, 2021, the Company's equity ratio amounted to 25.2 per cent and the equity ratio of the Group amounted to 37 per cent. If acquisitions in accordance with the Board's proposal were to take place, it is the Board's assessment that the equity ratio would remain satisfactory considering the conditions in the industry in which the Company and the Group operate and considering that the Group's business continues to be profitable. Acquisitions of own shares in accordance with the Board's proposal would not be contrary to the requirement that the Company's restricted equity must remain fully covered.

In the opinion of the Board, the use of the proposed authorization will not prevent the Company or the Group from meeting their obligations on short-term or long-term or from making necessary investments. It is considered that acquisitions of own shares would not affect the Company's or the Group's ability to meet existing or predictable payment obligations in time and that it will be possible to maintain the liquidity of the Group at a satisfactory level.

In light of the above, the Company's and the Group's financial positions do not give reason to question that the Company and the Group will be able to continue their operations with profitability and can be expected to meet their obligations both on short-

term and on long-term. If using of the authorization, the Board will at each given time assess whether the acquisition or transfer of own shares is justifiable in accordance with the rules of the Swedish Companies Act.

### **The proposal is justifiable**

In light of the above, the Board finds that its proposal regarding the authorization of the Board to resolve on acquisitions and transfers of the Company's own shares is justifiable considering the criteria set out in Chapter 17 Section 3 second and third paragraphs of the Swedish Companies Act. The Board has thus taken into consideration the demands with respect to the size of shareholders' equity which are imposed by the nature, scope and risks associated with the operations and the Company's and the Group's consolidation needs, liquidity and financial positions in general.

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Stockholm, March 2022

**Bygghmax Group AB (publ)**

*The Board of Directors*