

STATEMENT BY THE BOARD PURSUANT TO CHAPTER 19, SECTION 22, SWEDISH COMPANIES ACT

The Board has proposed that the annual general meeting to resolve on acquisition of shares in the Company on one or several occasions during the period up to the annual general meeting in 2023. The Board's proposal on acquisition of own shares allows for own shares to be acquired to the extent that the Company's holdings of own shares in total amounts to no more than one tenth of all shares in the Company. Acquisition of own shares under the Board's proposal must be made in cash and at a price within the stock market price interval registered at any given time, such interval being the interval between the highest purchase price and the lowest sales price. Following the Board's proposal, the Board makes the following statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

The meeting has at its disposal profits carried forward of MSEK 2,659 (including MSEK 1,751 in the share premium reserve (*överkursfond*)), increased with the net profit for the year of MSEK 432. Thus, the general meeting has in total a non-restricted equity of MSEK 3,091 at its disposal. If the proposed repurchase mandate is fully utilised it totals MSEK 491¹, representing 14.9 per cent of the Company's equity and 12.8 per cent of the Group's equity. If the authorisation for the Board is fully utilised, the Company's equity/assets ratio will decrease from 83.6 per cent to 81.3 per cent and the Group's equity/assets ratio will decrease from 65.1 per cent to 61.9 per cent.

The financial position of the Company and the Group as of 31 December 2021 will be described in the annual report of 2021. The annual report will furthermore set out the principles applied when valuing assets, allocations and liabilities. The equity of the Company and the Group is considered to be sufficient in relation to the nature, scope and risks of the business, even if the authorisation for the Board is fully utilised. The Board has taken into account factors including the historical performance of the Company and the Group, their budgeted performance and the economic situation. As of the balance sheet date the Company did not own any financial instruments that have been valued at their fair value in accordance with Chapter 4, Section 14 a of the Annual Reports Act. Material events subsequent the balance sheet date do not affect the Company's ability to fully utilise the repurchase mandate.

The Board has made an assessment of the financial position of the Company and the Group, and also of the ability of the Company and the Group to meet their commitments in the near and long term. Even if the authorisation for the Board is fully utilised it is considered that the equity/assets ratio of the Company and the Group will remain good in relation to the sector in which the Company and the Group operate.

The ability of the Company and the Group to meet their payment obligations will not be affected if the authorisation for the Board is fully utilised. The Company and the Group have good access to both short and long-term credit. These are available at short notice, for which reason the Board considers that the Company and the Group are well prepared to cope with changes in liquidity and other unforeseen

¹ Based on the presumption that the share price is SEK 105.

events. The liquidity of the Company and the Group is also good in relation to the sector in which the Company and the Group operate.

The Board considers that the Company and the Group have the ability to take business risks in the future and also to withstand potential losses. The ability of the Company and the Group to make further commercially justified investments in accordance with the Board's plans will not be adversely affected if the authorisation for the Board is fully utilised.

In view of the above, and also based on other factors of which the Board is aware, and following an assessment of the financial position of the Company and the Group, the Board considers that the proposed repurchase authorisation is defensible in light of the provisions of Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act. The proposed repurchase authorisation is considered to be defensible taking into account the demands made of the amount of equity by the nature, scope and risks associated with the business and the consolidation requirements, liquidity and general financial position of the Company and the Group.

The Board will also propose that the general meeting resolve on dividend of SEK 3.30 per share. The Board's assessment in this statement applies even if the Company pays dividend, in accordance with the Board's proposal. The Board has issued a separate statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act by reason of the dividend proposal.

The proposed dividend of MSEK 176 and a full utilisation of the repurchase authorisation (of MSEK 491²) total MSEK 667, which comprises 20.3 per cent of the Company's equity and 17.4 per cent of consolidated equity. If the meeting resolves on the proposed dividend and the authorisation for the Board is fully utilised, the Company's equity to assets ratio is reduced from 83.6 per cent to 80.3 per cent and the Group's equity to assets ratio is reduced from 65.1 per cent to 60.6 per cent.

Stockholm in March 2022
Alimak Group AB (publ)
The Board of Directors

² Based on the presumption that the share price is SEK 105.