

## **Statement from the Board of Directors on the motion concerning the mandate from the 2018 Annual General Meeting to acquire own shares in accordance with Chapter 19, Section 22 of the Swedish Companies Act**

The following statement by the Board of Directors of Bergman & Beving AB explains why the motion to the Annual General Meeting to repurchase own shares is defensible taking into consideration Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act.

The Board of Directors proposes that the Annual General Meeting authorise the Board, during the period until the next Annual General Meeting, to acquire a maximum of 10 percent of all shares in the Company, with acquisitions permitted on Nasdaq Stockholm within the registered price range according to the prevailing rules.

The nature and scope of the Company's operations are described in the Articles of Association and published annual reports. The operations conducted by the Company do not give rise to risks other than those that arise or could be expected to arise in the industry or other risks associated with conducting business activities.

As of 31 March 2018, equity in the Parent Company amounted to MSEK 1,349. The Parent Company's profit after net financial items during the first quarter of the financial year (April to June 2018) totalled MSEK 5. The dividend proposed by the Board of Directors totals MSEK 68. As of 31 March 2018, the Parent Company shareholders' share of the Group's equity amounted to MSEK 1,559. The Group's equity/assets ratio at the beginning of the financial year was 43 percent and the net debt/equity ratio was 0.2.

Taking the financial position of the Group into consideration, the Board of Directors finds that the proposed acquisition of own shares is defensible given the requirements imposed on the amount of equity in both the companies and the Group due to the nature, scope and risks associated with the operations and given the Group's consolidation requirements, liquidity and position in other respects. The Group's financial position will remain strong after a possible repurchase of own shares and is deemed to be sufficient to enable the Company to fulfil its short and long-term obligations and make any necessary investments.

Stockholm, July 2018

Board of Directors  
Bergman & Beving AB (publ)

BERGMAN & BEVING

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